

## HOUSE OF REPRESENTATIVES—Monday, July 28, 1986

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We give thanks, gracious God, for the safe return of Lawrence Martin Jenco who is returning to family and friends after months in captivity. And even as we rejoice in his freedom we pray for the other hostages of several nations that they, too, will know the benefits of liberty. May Your blessings, O God, be with all those who experience captivity that they may know Your presence and Your peace. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair would like to congratulate our Chaplain on the occasion of reaching his 55th birthday last Friday. We presume he was out celebrating and was not around here. All of us, I am sure, would want to wish him the happiness of the day.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1406. An act to authorize appropriations for nongame fish and wildlife conservation during fiscal years 1986, 1987, and 1988;

H.R. 1904. An act to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Chippewas of the Mississippi in Docket Numbered 18-S before the Indian Claims Commission, and for other purposes; and

H.R. 4434. An act to amend the Act entitled "An Act granting a charter to the General Federation of Women's Clubs."

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 524. An act to recognize the organization known as the "Retired Enlisted Association, Incorporated";

S. 2307. An act to provide authorization of appropriations for activities of the U.S. Travel and Tourism Administration;

S.J. Res. 355. Joint resolution to designate August 1986 as "Cajun Music Month";

S.J. Res. 356. Joint resolution to recognize and support the efforts of the U.S. Committee for the Battle of Normandy Museum to encourage American awareness and participation in development of a memorial to the Battle of Normandy; and

S.J. Res. 371. Joint resolution to designate August 1, 1986, as "Helsinki Human Rights Day."

## COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives."

WASHINGTON, DC,

July 28, 1986.

HON. THOMAS P. O'NEILL, JR.,  
The Speaker, House of Representatives,  
Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a copy of the Certificate of Election received from Thomas W. Wallace, Executive Director of the State Board of Elections of the State of New York, indicating that the Honorable Alton R. Waldon, Jr. was elected to the Office of Representative in Congress from the Sixth District of New York in the Special Election held on June 10, 1986.

With kind regards, I am,  
Sincerely,

BENJAMIN J. GUTHRIE,  
Clerk, House of Representatives.

State of New York, ss: We, the State Board of Elections, constituting the State Board of Canvassers, having canvassed the whole number of votes given for the office of Representative in Congress, 6th C.D. at the Special Election held in said State on the tenth day of June, 1986, according to the certified statements of the said votes received by the State Board of Elections, in the manner directed by law, do hereby determine, declare and certify that Alton R. Waldon, Jr., was, by the greatest number of votes given at the said election, duly elected Representative in Congress, 6th C.D. of the said State.

Given Under Our Hands, at the State Board of Elections, in the City of Albany, the 25th day of July in the year of our Lord one thousand nine hundred and eighty-six.

GEORGE D. SALERNO,  
Chairman.

R. WELLS STOUT,  
Vice Chairman.

DONALD A. RETTALIATA,  
Commissioner.

THOMAS J. SULLIVAN,  
Commissioner.

THOMAS W. WALLACE,  
Executive Director.

## WELCOME TO MAYOR ABBRO AND DELEGATION FROM CAVA DE'TERRINI, ITALY

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CONTE. Mr. Speaker, earlier this year my hometown, Pittsfield, MA, initiated a sister city relationship with Cava de'Terrini of the Naples region in Italy.

The sister cities program is designed to foster international cooperation and promote mutual understanding between peoples.

I'm delighted to welcome to Washington Mayor Abbro and his delegation—who are with us today.

Recently I had the privilege of addressing this distinguished group during their visit to Pittsfield, and I would like to insert a copy of those remarks in the RECORD.

I know that all of you join me in wishing our Italian friends a warm welcome and an enjoyable visit in our Nation's Capital. Benvenuti, cari amici i fratelli.

The remarks to which I referred are as follows:

REMARKS OF HON. SILVIO O. CONTE, THE SISTER CITIES CEREMONY, PITTSFIELD, MA, JULY 21, 1986

Signor Sindaco, signori consiglieri, signore e signori. Buon giorno e benvenuti a Pittsfield! Welcome to America, welcome to Pittsfield—your sister city.

Oggi siete fra amici, today you are among friends. And friendship is really what a sister city relationship is all about. You know I'm especially pleased to be here today. I thank my very good friend Mayor Smith for inviting me to this wonderful occasion. I also thank Charlie for selecting a sister city in Italy—its a wonderful idea, meraviglioso!

Your choice of Cava di Tirreni was an excellent one. We have much in common such as geography. We're both surrounded by the most beautiful hills found anywhere, we're both cities of approximately 50,000 people and we both celebrate and nurture our traditions and culture. And we've got one heck of a lot of Italians living here, many of whose relatives came from Campagna.

Although my parents came from northern Italy I am especially fond of southern Italy and the province of Campagna. You know, in November 1980, a major earthquake hit Italy centered around Eboli. Besides the cities of Naples, Salerno, Potenza and Avellino, more than 150 other towns and villages were damaged. That quake killed 2,700 people and damaged or destroyed 100,000 structures.

Immediately after learning of that devastation, I introduced a bill in the House providing for a \$50 million aid package called

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

the Southern Italy Earthquake Reconstruction Program.

In part, that program provided emergency supplies and medicine but it also provided funds to rebuild 28 schools like the technical high school in Nocera and the classical high school in Siano. We also rebuilt an orphanage, homes for the aged, community centers and clinics. One of our projects, still under way, is the reconstruction of the Children's Institute, "M.L. Formosa" in Cava.

Just after passing my aid bill, I was appointed to a Presidential delegation along with Mario Cuomo, Jeno Paulucci and others. We went to Italy and saw, first hand, the devastation. In many places it was total and complete. In my long Congressional career, one of my proudest moments was taking the leadership in providing for this relief package.

Living in the Berkshires and having spent some time in Campagna one thing is obvious to me—both our cities are surrounded by abundant natural beauty. Within an hour's drive of Pittsfield lies all of Berkshire County and much of the Pioneer Valley. That same drive from Cava could take you to the Bay of Naples, the ruins at Pompeii or the Amalfi coast. I think that beauty is a bond that joins us at a world class level.

And today in this park and in our hearts, we are also united by the bonds of friendship. Some of us share a common Italian heritage that fosters pride in both countries and our history but we all share the ideals and hopes that are symbolized in this ceremony today.

Our two cities—represented by Mayor Smith and Mayor Abbro—have signed an agreement to promote mutual understanding and friendship. We also pledge to promote wider exchange in education, culture and economic development, all in an effort to further the cause of international friendship and human advancement—great ideals for this wonderful occasion.

Knowing Mayor Smith the way I do, I have a feeling that we'll be seeing other sister cities in the future. I hope we do because I like saying to Mayor Abbro and his distinguished delegation—*Lei e' a casa sua qui in Pittsfield. Benvenuto, caro fratello e amico.*

Grazie.

#### WELCOME HOME, FATHER JENCO

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, like all Americans, I was heartened to learn of the release of Father Jenco from the terrorists in Lebanon after 19 months. As a New Mexican, I am especially proud of Father Jenco, since he was the pastor several years ago of a parish in Belen, NM, part of my congressional district.

Welcome home, Father Jenco. But let us heed his words about the three remaining prisoners who are Americans still held in Lebanon.

Mr. Speaker, I was also moved by the anguished tape of another hostage, David Jacobsen, pleading for negotiations for his release.

It is important that we remind our Government of the deep-seated desire

of the American people to see these hostages released. All avenues for their release should be pursued. If we appear to be divided, however, in our response to terrorism and in negotiations for the release of Americans, then we play into the hands of the terrorists.

I believe that the administration and our State Department have their act together and are acting responsibly when it comes to dealing with this issue. Let us not second-guess them but support their efforts.

Mr. HORTON. Mr. Speaker, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from New York [Mr. HORTON].

Mr. HORTON. I thank the gentleman for yielding.

Mr. Speaker, the gentleman in the well mentioned about Father Jenco. I would like to point out to the House that I was on two trips with former Congressman George O'Brien, who recently died. I know he and his wife broke away from our group on two occasions to go once to Rome and once to the Middle East. I know he spent a lot of time also in his last days trying to arrange for the release of Father Jenco.

I just thought I would add that in connection with the very fine comments of the gentleman.

Mr. RICHARDSON. I appreciate the comments of the gentleman from New York. I know that my constituents from Our Lady of Belen Church in Belen, NM join with me today in welcoming home Father Martin Jenco. It is indeed a time to rejoice for the safe return of Father Jenco who was freed after 19 months of captivity in Beirut.

Mr. Speaker, for nearly 2 years, I have from time to time been receiving letters from parishioners of Our Lady of Belen Church where Father Jenco served for a time. Those letters show that Father Jenco left a lasting spirit of faith and love with the Belen community. The people of Belen understand that Father Jenco had to go to Lebanon to fulfill his mission as head of Catholic Relief Services. He did not abandon us during his time of captivity. The people of Belen did not give up and did their best to focus congressional and national attention on the plight of Father Jenco and the other remaining hostages in Lebanon. Father Jenco has set an example to all of us as one who strives to make faith concrete and bring the spirit of caring for others to realization.

Father Jenco's words of encouragement after his release are comforting to all of us, that he, "has high hopes for the release of his three friends and fellow prisoners and other hostages."

Mr. Speaker, it is important that we do not forget the remaining Americans still held captive in Lebanon. Each life contains a universe, if only one Ameri-

can remains, we ought to be as attentive and vigilant as though there were 100. Let us not permit their image to fade. We must continue to press that all avenues and resources be used to gain the release of our fellow citizens. It is time to negotiate for their release. This does not mean we give in to terrorism. No; we are on morally higher ground than terrorists when we show how much individual lives mean in our system of values.

#### DEFICIT REDUCTION TARGETS UNDER GRAMM-RUDMAN

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, last week the Commerce Department estimated that the GNP will grow in the second quarter of this year at an annual rate of only 1.1 percent. The two-quarter average is just 2.4 percent, compared with the 3.3-percent estimate on which we are basing the 1987 budget resolution. This lower growth rate means a much higher Federal deficit—about \$20 billion extra for each percentage point drop in GNP growth.

Add to this last year's trade deficit of \$150 billion, the potent impact of disinflation, over 7-percent unemployment, and business hesitancy in the face of major tax changes, and we clearly are dealing with a stagnant economy.

There is extreme weakness in the key agriculture and manufacturing sectors of the economy—troubles that we have experienced in Oklahoma for the past 3 to 4 years. We are now living with \$10 per barrel oil and \$2 per bushel wheat, as well as a series of bank failures unparalleled in recent years, culminating with the recent collapse of First National in Oklahoma City.

In my view, Mr. Speaker, there is little prospect for a quick turnaround unless we take firm action to meet the deficit reduction targets set by Gramm-Rudman. Every part of the budget, including defense, will have to take its fair share of cuts. It's time to stop arguing about the mechanics of budget cutting, and demonstrate that fiscal restraint begins right here.

#### CONTRAS: U.S. MILITARY SOLUTION TAKES PLACE OF DIPLOMACY

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. VENTO. Mr. Speaker, I was dismayed this past week to read of the dismissal of a Foreign Service diplomat, John Ferch, recent Ambassador



to Honduras. While the time is ripe for negotiations, it is clear that the Reagan administration is putting all the U.S. emphasis on a military solution through support of the Contras.

Reagan has paid lip service to negotiations with the appointment of Phil Habib as a special negotiator. The fact is that although an able negotiator, he has not even been to Managua, Nicaragua's capital.

Furthermore, the dismissal of Ferch seems to be based largely on the fact that he properly gave credence to the democratically elected government of Honduras which the United States supports and did not discuss and clear key issues with the military officer power base in Honduras which would, of course, have literally thereby undercut the elected government. Mr. Speaker, the following article from the Friday, July 25, Washington Post is included for my colleagues' consideration.

The \$100 million in military aid to the Contras and the \$400 million in the aid measure approved by the House along with these facts addressed in this report point out that Central American-United States diplomacy and policy is indeed on a slippery slope.

[From the Washington Post, July 25, 1986]  
U.S. IS SAID TO SEEK MILITARY SOLUTION IN NICARAGUA

(By Roy Newstead Gutman)

John Ferch, fired recently from his post as ambassador to Honduras, believes the Reagan administration is seeking a military solution in Nicaragua despite claiming publicly that it wants a negotiated settlement.

The 27-year Foreign Service veteran was dismissed last month after serving less than a year. Honduras is the staging ground for President Reagan's campaign to topple the Sandinista government in Nicaragua.

Days before Ferch's ouster, the House approved \$100 million in aid for Nicaraguan rebels based in Honduras. Ferch said in an interview that if the administration does not pursue a negotiated settlement in Nicaragua, the \$100 million will be just a "down payment."

The ex-ambassador said the time is ripe for diplomacy. He said his view "until the time they canned me was that you've got them [the Sandinistas] to the point where they've panicked so much they would negotiate some meaningful concessions."

If the administration fails to seize the moment and push for negotiations, he said, the \$100 million "is going to go so fast, it's really just the first step. The logic of it all means that the next stage is an expanded military operation."

"I always thought we meant what we said. We wanted pressures so we could negotiate," Ferch said. "I'm beginning to think I accepted something that wasn't true." Ferch said the manner of his dismissal suggested that "our goal is something different. It's a military goal."

Ferch spoke by telephone from Canada, where he is vacationing.

Ferch previously served as head of the U.S. mission in Havana and deputy chief of mission in Mexico City. Administration officials said he had demonstrated excellent po-

litical skills in Honduras but blamed "significant" morale problems in the embassy on his management. He was also faulted for strained relations with the Honduran military and with the large Central Intelligence Agency station in Tegucigalpa. The State Department insists that policy differences had nothing to do with his firing.

In the interview, Ferch also said: Cuba and the Soviet Union are unlikely to interfere if the Sandinistas come under heavy military pressure. "I don't think they're going to fight down to the wire," he said. "The Cubans and Russians are not going to throw in troops like that. They are so concerned about a clash with us that they'll be very cautious."

Honduras has a more comprehensive approach to Nicaragua than does the U.S. government. "They have been far better at negotiations than we have," he said. "When I would get instructions to go in and tell them things, I would follow them in my own way, because it was teaching them to suck eggs. They really were ahead of us always."

The manner of his ouster undercut the newly elected civilian leadership in Honduras. He said U.S. officials "have let out the word that my relations with the military down in Honduras were not good. That is not true." Ferch said he always went first to President Jose Azcona rather than to the military. "I did that very consciously, and the military were understanding but not happy," he said. "They knew they were accepting a new role in life." But in saying that he did not get along with the military and suggesting that was a problem, Ferch said U.S. officials have "set alight a sleeping fire. It doesn't help Honduran democracy. There's no question about that. It's not me personally. The combination of getting rid of me and saying 'He didn't get along with the military' really does undercut the president."

Ferch said he believes he was fired "because they want somebody down there to be strong enough and proconsul enough that no Honduran government is going to object to anything. They're going to want someone to go in and say, 'Baby, this is the way it's going to be.'" He warned that if that was the intention, "nothing is going to happen" because Hondurans will not take orders.

The administration has not announced Ferch's successor, but officials said Everett Briggs, a career diplomat who was ambassador to Panama, is the leading candidate. Ferch called Briggs an excellent choice, but said, "What's ironic about this is that Ted isn't that type of diplomat. Ted really will support the civilian side of the house."

Ferch's view that a negotiated settlement is no longer the U.S. goal in Nicaragua is bound to be disputed by State Department officials, but his remarks underscored the current absence of any concerted diplomatic initiative.

Reagan named veteran diplomat Philip C. Habib as special negotiator in March, but despite several trips to the region, Habib has yet to visit Managua, Nicaragua's capital. Ferch said he was "extraordinarily impressed" by Habib during Habib's brief visits to Honduras. "Then, all of a sudden, he faded. You didn't hear from him," Ferch said.

Ferch said he had been convinced that military and psychological pressures by the United States would force the Sandinistas to the bargaining table to make meaningful concessions. "You know, the pressures are in place at two points: they are in place right now when you pass the vote [by Con-

gress for military aid to the rebels]. Then the first time [the rebels] start shooting down helicopters," the military pressures against the Sandinistas are in place, he said.

Ferch said he had relayed to the State Department his assessment that the United States should take advantage of these pressures in negotiating. "But what can I tell you? I'm up here in the North Woods now. My overview has been discarded," he said.

Ferch said he was "fed up" with the Foreign Service because of anonymous criticism of him by former colleagues. After a sabbatical, he said, he will look for a job, but "I really don't think I want to have anything to do with the Foreign Service anymore."

Ferch and his family are building a cabin by a remote lake north of Lake Huron in southern Ontario.

"There is life after diplomacy," he said. "I am screwed but happy."

#### ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, July 29, 1986.

#### CONGRESSIONAL REPORTS ELIMINATION ACT OF 1986

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2518) to discontinue or amend certain requirements for agency reports to Congress, as amended.

The Clerk read as follows:

##### H.R. 2518

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Reports Elimination Act of 1986".*

##### TITLE I—ELIMINATIONS

###### REPORTS BY MORE THAN ONE AGENCY

Sec. 101. (a) Section 218(a) of the Biomass Energy and Alcohol Fuels Act of 1980 (42 U.S.C. 8818(a)) is repealed.

(b) Section 3104 of title 5, United States Code, is amended by—

- (1) striking out subsection (b);
- (2) redesignating paragraphs (1), (2), and (3) of subsection (a) as subsections (a), (b), and (c), respectively; and
- (3) striking out "paragraph (1) of this subsection" each place it appears in subsections (b) and (c) (as redesignated by paragraph (2) of this subsection) and inserting in lieu thereof "subsection (a) of this section".

###### REPORTS BY THE DEPARTMENT OF COMMERCE

Sec. 102. Section 5 of the Central, Western and Southern Pacific Fisheries Development Act (16 U.S.C. 758e-2) is repealed.

###### REPORTS BY THE DEPARTMENT OF EDUCATION

Sec. 103. (a) Section 117(d) of the Higher Education Act of 1965 (20 U.S.C. 1017(d)) is repealed.

(b) Section 553(c) of the Higher Education Act of 1965 (20 U.S.C. 1119c-2(c)) is repealed.

(c) Section 605(b) of the Higher Education Act of 1965 (20 U.S.C. 1125(b)) is repealed.

#### REPORTS BY THE DEPARTMENT OF ENERGY

SEC. 104. (a) Section 7(b)(7) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906(b)(7)) is amended by—

- (1) striking out subparagraph (A); and
- (2) striking out the subparagraph designator "(B)".

(b) Section 11 of the Wind Energy Systems Act of 1980 (42 U.S.C. 9210) is amended by—

- (1) striking out paragraph (5);
- (2) inserting "and" at the end of paragraph (4); and
- (3) redesignating paragraph (6) as paragraph (5).

#### REPORTS BY THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SEC. 105. (a) Section 505(f) of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-4(f)) is repealed.

(b) Section 506(c) of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-5(c)) is repealed.

#### REPORTS BY THE DEPARTMENT OF JUSTICE

SEC. 106. Section 2101(d) of title 18, United States Code, is amended by striking out the semicolon and all that follows and inserting in lieu thereof a period.

#### REPORTS BY THE DEPARTMENT OF TRANSPORTATION

SEC. 107. Section 13 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1746) is repealed.

#### REPORTS BY THE NATIONAL SCIENCE FOUNDATION

SEC. 108. Section 8 of the National Science Foundation Authorization Act, 1977 (42 U.S.C. 1883) is amended by—

- (1) inserting "and" after the semicolon at the end of paragraph (3);
- (2) striking out "and" at the end of paragraph (4) and inserting in lieu thereof a period; and
- (3) striking out paragraph (5).

#### REPORTS BY THE NUCLEAR REGULATORY COMMISSION

SEC. 109. Section 201(h) of the Energy Reorganization Act of 1974 (42 U.S.C. 5841(h)) is repealed.

#### REPORTS BY THE OFFICE OF PERSONNEL MANAGEMENT

SEC. 110. (a) Section 5114 of title 5, United States Code, is repealed.

(b) The table of sections for chapter 51 of such title is amended by striking out the item relating to section 5114.

#### TITLE II—MODIFICATIONS

##### REPORTS BY MORE THAN ONE AGENCY

SEC. 201. Section 203(o) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(o)) is amended—

- (1) striking out "The Administrator" and all that follows through "shall submit" and inserting in lieu thereof the following: "The Administrator with respect to property disposed of under subsection (j) or (p) of this section, and the head of each executive agency disposing of property under subsection (k) of this section, or under section 13(d) or 13(g) of the Surplus Property Act of 1944 (50 U.S.C. App. 1622(d) or (g)), shall submit"; and
- (2) by striking out "personal property so donated and of all real"; and
- (3) by striking out "donations and transfers" and inserting in lieu thereof "disposals".

#### REPORTS BY THE DEPARTMENT OF AGRICULTURE

SEC. 202. The last sentence of the paragraph under the heading "GENERAL SALES MANAGER—(ALLOTMENT FROM THE COMMODITY CREDIT CORPORATION)" in title IV of Public Law 97-370 (15 U.S.C. 713a-10; 96 Stat. 1808) is amended by striking out "quarterly" and inserting in lieu thereof "annual".

#### REPORTS BY THE DEPARTMENT OF COMMERCE

SEC. 203. (a) Section 7(a) of the Marine Resources and Engineering Development Act of 1966 (33 U.S.C. 1106(a)) is amended by striking out "in January of each year" and inserting in lieu thereof "biennially in January".

(b) Section 16 of the Act of June 18, 1934 (48 Stat. 1002, chapter 590; 19 U.S.C. 81p) is amended by—

- (1) striking out "containing a full statement of all the operations, receipts, and expenditures, and such other information as the Board may require" is subsection (b) and inserting in lieu thereof "on zone operations"; and
- (2) striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Board shall make a report to Congress annually containing a summary of zone operations."

#### REPORTS BY THE DEPARTMENT OF EDUCATION

SEC. 204. Section 653(c) of the Education of the Handicapped Act (20 U.S.C. 1453(c)) is amended by striking out "The Secretary shall make an annual" and inserting in lieu thereof "Every three years, the Secretary shall make a".

#### REPORTS BY THE DEPARTMENT OF TRANSPORTATION

SEC. 205. Section 107 of the Federal Aviation Act of 1958 (49 U.S.C. 1307) is amended by—

- (1) striking out "each January 31 thereafter" in subsection (b) and inserting in lieu thereof "each April 1 thereafter"; and
- (2) striking out "each January 31 thereafter" in subsection (c) and inserting in lieu thereof "each April 1 thereafter".

#### REPORTS BY THE DEPARTMENT OF THE TREASURY

SEC. 206. (a) Section 201(f) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821(f)) is amended by—

- (1) striking out "Secretary of the Treasury, in cooperation with the"; and
- (2) striking out the comma after "the Secretary of State".

(b) Section 6103(p)(5) of the Internal Revenue Code of 1954 (26 U.S.C. 6103(p)(5)) is amended by striking out "quarter" and inserting in lieu thereof "year".

#### GENERAL SERVICES ADMINISTRATION

SEC. 207. Section 203(j)(4)(E) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j)(4)(E)) is amended by striking out "\$3,000" and inserting in lieu thereof "\$5,000".

#### REPORTS BY THE UNITED STATES MERIT SYSTEMS PROTECTION BOARD

SEC. 208. Section 7701(i)(2) of title 5, United States Code, is amended by striking out "calendar" and inserting in lieu thereof "fiscal".

The SPEAKER pro tempore (Mr. MONTGOMERY). Pursuant to the rule, a second is not required on this motion.

The gentleman from Texas [Mr. BROOKS] will be recognized for 20 minutes and the gentleman from New York [Mr. HORTON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, H.R. 2518, as amended, would eliminate or modify reports which executive branch agencies are currently required by law to submit to Congress on a recurring basis. This effort to reduce the number of reporting requirements is a part of a continuing process conducted by Congress, with the assistance of the General Accounting Office and the Office of Management and Budget. By eliminating requirements which are no longer useful and reducing the frequency of other reports, we can assure that Federal resources assigned to the reporting process are used in those areas of greatest need to Congress.

H.R. 2518, as introduced, was a compilation of recommendations received by the OMB from executive branch agencies. These recommendations called for the elimination or modification of reporting requirements which, in the opinion of the departments and agencies, are either no longer necessary to Congress on a recurring basis or which require modification. The Government Operations Committee asked other committees of the House whether the reports could be eliminated without harm to their oversight and legislative activities. The committees made recommendations for amendments to the bill in order to assure the continuing receipt of information which is still pertinent and useful. All amendments recommended by committees of the House to delete or modify provisions of the bill were approved by the Government Operations Committee.

According to the Congressional Budget Office, the elimination and modification of the reports contained in H.R. 2518 will result in a savings to the Federal Government of approximately \$1 million.

Mr. Speaker, I reserve the balance of my time.

Mr. HORTON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I am glad that once again we are considering the problem of unnecessary paperwork required of Government agencies. It is a useful exercise to look, on a regular basis, at reporting requirements imposed on the executive branch to determine which reports have become unnecessary for one reason or another. As a result of this process, we can eliminate some reports, and reduce the frequency others must be filed. As the chairman of the Commission on Federal Paperwork, which existed between 1975 and 1977, and made 770 constructive suggestions for reducing the paperwork burden, I fully concur in such an undertaking.



This is the third time we have considered legislation to eliminate unneeded reports. I trust that by now we have established this procedure as a regular and ongoing one for both the Congress and the executive branch.

Mr. Speaker, the bill we consider today eliminates or modifies the requirement for only 25 reports. I regret that this number is not closer to the approximately 230 reports that were contained in the administration's draft on which this legislation is based. I hope that in future years, committees will review reports elimination bills with an objective of eliminating more reports so that we can report legislation to the House that will have a more significant impact on the burden of Government paperwork.

Nevertheless, H.R. 2518 is a step in the right direction. The administration supports its enactment. I am pleased to support the bill as amended, and urge my colleagues to do likewise.

Mr. Speaker, I have no additional requests for time, and I yield back the balance of my time.

Mr. BROOKS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. Brooks] that the House suspend the rules and pass the bill, H.R. 2518, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations be discharged from further consideration of the Senate bill (S. 992) to discontinue or amend certain requirements for agency reports to Congress, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 992

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Reports Elimination Act of 1985".*

#### TITLE I—ELIMINATIONS

##### REPORTS BY MORE THAN ONE AGENCY

SEC. 101. (a) Section 218(a) of the Biomass Energy and Alcohol Fuels Act of 1980 (42 U.S.C. 8818(a)) is repealed.

(b) Section 3104 of title 5, United States Code, is amended by—

(1) striking out subsection (b);

(2) redesignating paragraphs (1), (2), and (3) of subsection (a) as subsections (a), (b), and (c), respectively; and

(3) striking out "paragraph (1) of this subsection" each place it appears in subsections (b) and (c) (as redesignated by paragraph (2) of this subsection) and inserting in lieu thereof "subsection (a) of this section".

(c) Section 26(e)(2) of the Toxic Substances Control Act (15 U.S.C. 2625(e)(2)) is amended to read as follows:

"(2) The Administrator and the Secretary shall—

"(A) define the term 'known financial interests' for purposes of paragraph (1), and

"(B) establish the methods by which the requirement to file written statements specified in paragraph (1) will be monitored and enforced, including appropriate provisions for review by the Administrator and the Secretary of such statements.".

(d) Section 1114(b) of title 31, United States Code, is repealed.

(e) Section 1113(e)(3) of title 31, United States Code, is repealed.

(f) Section 311(c) of title 37, United States Code, is repealed.

(g) Section 203(o) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(o)) is amended by striking out "and the head of each executive agency disposing of real property under subsection (k) of this section," in the first sentence.

##### REPORTS BY THE EXECUTIVE OFFICE OF THE PRESIDENT

SEC. 102. (a) Section 1105(a)(12) of title 31, United States Code, is repealed.

(b) Section 3524(b) of title 31, United States Code, is repealed.

##### REPORTS BY THE DEPARTMENT OF AGRICULTURE

SEC. 103. (a) Section 7(b) of the Soil and Water Resources Conservation Act of 1977 (16 U.S.C. 2006(b)) is repealed.

(b) Section 17(j) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(j)) is repealed.

##### REPORTS BY THE DEPARTMENT OF COMMERCE

SEC. 104. (a) Section 6(b) of the Federal Water Pollution Control Act Amendments of 1972 (33 U.S.C. 1251 note) is repealed.

(b) Section 259 of the Revised Statutes (15 U.S.C. 183) is repealed.

(c)(1) Section 201 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1441) is amended by striking out "and shall report from time to time, not less frequently than annually, his findings (including an evaluation of the short-term ecological effects and the social and economic factors involved) to the Congress".

(2) Section 202(c) of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1442(c)) is amended by inserting "and section 201" after "this section" in the first sentence.

(d) Section 5(e) of the Fair Packaging and Labeling Act (15 U.S.C. 1454(e)) is repealed.

(e) Section 2(d)(2) of the Act of August 11, 1939 (commonly referred to as the Saltonstall-Kennedy Act) (15 U.S.C. 713c-3(d)(2)) is repealed.

(f) Section 3 of Public Law 96-339 (16 U.S.C. 971i) is repealed.

(g) Section 5 of the Central, Western, and South Pacific Fisheries Development Act (16 U.S.C. 758e-2) is repealed.

##### REPORTS BY THE DEPARTMENT OF DEFENSE

SEC. 105. (a) Section 2672a of title 10, United States Code, is amended by striking out the last sentence.

(b)(1) Section 2662 of title 10, United States Code, is repealed.

(2) The table of sections for chapter 159 of such title is amended by striking out the item relating to section 2662.

(c) Section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d-5b) is amended by striking out subsection (d) and by redesignating subsection (e) as subsection (d).

(d) Section 2675 of title 10, United States Code, is amended by striking out the subsection designation "(a)" and by striking out subsection (b).

##### REPORTS BY THE DEPARTMENT OF EDUCATION

SEC. 106. (a) Section 117(d) of the Higher Education Act of 1965 (20 U.S.C. 1017(d)) is repealed.

(b) Section 553(c) of the Higher Education Act of 1965 (20 U.S.C. 1119(c-2)(c)) is repealed.

(c) Section 605(b) of the Higher Education Act of 1965 (20 U.S.C. 1125(b)) is repealed.

(d) Section 403(a)(2) of the Department of Education Organization Act (20 U.S.C. 3463(a)(2)) is repealed.

(e) Section 441(e)(3) of the Carl D. Perkins Vocational Education Act of 1984 (Public Law 98-524) is amended by striking out the last sentence.

##### REPORTS BY THE DEPARTMENT OF ENERGY

SEC. 107. (a) Section 7(b)(7) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906(b)(7)) is amended by—

(1) striking out subparagraph (A); and

(2) striking out "(B)" before "No".

(b) Title II of Public Law 96-126 is amended by striking out the last paragraph under the heading "Department of Energy-Alternative Fuels Production" (42 U.S.C. 5915 note).

(c) The Powerplant and Industrial Fuel Use Act of 1978 is amended by—

(1) striking out section 801 (42 U.S.C. 8481); and

(2) striking the item relating to section 801 in the table of contents.

(d) Section 11 of the Wind Energy Systems Act of 1980 (42 U.S.C. 9210) is amended by—

(1) striking out paragraph (5);

(2) inserting "and" after the semicolon at the end of paragraph (4); and

(3) redesignating paragraph (6) as paragraph (5).

(e) The Public Utility Regulatory Policies Act of 1978 is amended by—

(1) striking out section 116 (16 U.S.C. 2626);

(2) striking out section 309 (15 U.S.C. 3209); and

(3) striking out the items relating to sections 116 and 309 in the table of contents.

(f) Section 218(b) of the Biomass Energy and Alcohol Fuels Act of 1980 (42 U.S.C. 8818(b)) is repealed.

(g) Section 8 of the Nuclear Safety Research, Development, and Demonstration Act of 1980 (42 U.S.C. 9707) is amended by striking out subsections (b) and (c) and by striking out "(a)" before "The Secretary".

##### REPORTS BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

SEC. 108. (a) Section 308(a) of the Public Health Service Act (42 U.S.C. 242m(a)) is amended—

(1) by striking out paragraph (1);

(2) by striking out "or (2)" in paragraph (3); and

(3) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(b) Section 317(h) of the Public Health Service Act (42 U.S.C. 247b(h)) is repealed.

(c) Section 336A of the Public Health Service Act (42 U.S.C. 254i) is repealed.

(d) Section 338A(i) of the Public Health Service Act (42 U.S.C. 254i(i)) is repealed.

(e) Section 357 of the Public Health Service Act (42 U.S.C. 263e) is repealed.

(f) Section 360D of the Public Health Service Act (42 U.S.C. 263i) is repealed.

(g)(1) Section 2111 of the Public Health Service Act (42 U.S.C. 300aa-10) is repealed.

(2) The first sentence of section 383(b) of such Act (42 U.S.C. 277(b)) is amended by striking out "and the Secretary shall include in his annual report to the Congress a statement covering the recommendations made by the Board and the disposition thereof".

(h) Section 771(b)(2)(C) of the Public Health Service Act (42 U.S.C. 295f-1(b)(2)(C)) is amended by striking out "and to the Committee on Interstate and Foreign Commerce of the House of Representatives and to the Committee on Labor and Public Welfare of the Senate" in the last sentence.

(i) Section 1009 of the Public Health Service Act (42 U.S.C. 300a-6a) is repealed.

(j) Section 1122 of the Public Health Service Act (42 U.S.C. 300c-12) is amended to read as follows:

**"SUDDEN INFANT DEATH SYNDROME RESEARCH**

"SEC. 1122. From the sums appropriated to the National Institute of Child Health and Human Development under section 441, the Secretary shall assure that there are applied to research which relates specifically to sudden infant death syndrome, and to research which relates generally to sudden infant death syndrome, including high-risk pregnancy and high-risk infancy research which directly relates to sudden infant death syndrome, such amounts each year as will be adequate, given the leads and findings then available from such research, in order to make maximum feasible progress toward identification of infants at risk of sudden infant death syndrome and prevention of sudden death syndrome."

(k) Section 1315 of the Public Health Service Act (42 U.S.C. 300e-14) is repealed.

(l) Section 1318(e) of the Public Health Service Act (42 U.S.C. 300e-17(e)) is repealed.

(m) Section 1705 of the Public Health Service Act (42 U.S.C. 300u-4) is amended—

(1) by striking out subsection (b); and

(2) by striking out "(a)" before "The".

(n) Section 1881(c)(6) of the Social Security Act (42 U.S.C. 1395rr(c)(6)) is amended by striking out the last sentence.

(o)(1) Title IV of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (42 U.S.C. 3509) is repealed.

(2) The table of contents for such Act is amended by striking out the items relating to section 1200 and title IV.

(p) Section 315 of the Runaway Homeless Youth Act (42 U.S.C. 5715) is repealed.

(q) Section 640(d) of the Head Start Act (42 U.S.C. 9835) is amended by striking out the second sentence.

**REPORTS BY THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

SEC. 109. (a) Section 904 of the Housing and Community Development Act of 1977 (42 U.S.C. 3540) is repealed.

(b) Section 311 of the Energy Conservation Standards for New Buildings Act of 1976 (42 U.S.C. 6840) is repealed.

(c) Section 505(f) of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-4(f)) is repealed.

(d) Section 506(c) of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-5(c)) is repealed.

**REPORTS BY THE DEPARTMENT OF THE INTERIOR**

SEC. 110. (a) Section 522(b) of the Energy Policy and Conservation Act (42 U.S.C. 6392(b)) is amended to read as follows:

"(b) The Secretary and the Secretary of the Interior shall each act, within 90 days after the date of enactment of this Act, in accordance with section 553 of title 5, United States Code—

"(1) to define the term 'known financial interest' for purposes of subsection (a); and

"(2) to establish the methods by which the requirement to file written statements specified in subsection (a) will be monitored and enforced, including appropriate provisions for the filing by such officers and employees of such statements and the review by the Secretary or the Secretary of the Interior, as the case may be, of such statements."

(b) Section 8(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)) is amended by striking out paragraphs (8) and (9).

(c) Section 2 of Public Law 87-283 (25 U.S.C. 165) is repealed.

(d) Public Law 87-279 (25 U.S.C. 15) is amended by striking out the last sentence.

(e) Section 31(e) of the Act of February 25, 1920 (41 Stat. 450, chapter 85; 30 U.S.C. 188(e)) is amended by striking out the second sentence.

**REPORTS BY THE DEPARTMENT OF JUSTICE**

SEC. 111. Section 2101(d) of title 18, United States Code, is amended by striking out the semicolon and all that follows and inserting in lieu thereof a period.

**REPORTS BY THE DEPARTMENT OF LABOR**

SEC. 112. Section 4(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 204(e)) is repealed.

**REPORTS BY THE DEPARTMENT OF TRANSPORTATION**

SEC. 113. (a) Section 13 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1746) is repealed.

(b) Section 163 of the Federal-Aid Highway Act of 1973 (23 U.S.C. 130 note) is amended by—

(1) striking out subsection (o); and

(2) redesignating subsections (p) and (q) as subsections (o) and (p), respectively.

(c) Section 203(e) of the Highway Safety Act of 1973 (23 U.S.C. 130 note) is amended by striking out the third, fourth, and fifth sentences.

(d) Section 152(g) of title 23, United States Code, is amended by striking out the third, fourth, and fifth sentences.

(e) Section 308(a) of title 49, United States Code, is repealed.

**REPORTS BY THE DEPARTMENT OF THE TREASURY**

SEC. 114. (a) Section 331 of title 31, United States Code, is amended by striking out subsection (b).

(b) Section 1302(c)(2) of the Panama Canal Act of 1979 (22 U.S.C. 3712(c)(2)) is amended by striking the last sentence.

(c)(1) Section 1121(b) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3421(b)) is repealed.

(2) Section 1121 of such Act is further amended by striking out "(a)" before "In April".

**REPORTS BY THE CONSUMER PRODUCT SAFETY COMMISSION**

SEC. 115. Section 35(e) of the Consumer Product Safety Act (15 U.S.C. 2082) is repealed.

**REPORTS BY THE ENVIRONMENTAL PROTECTION AGENCY**

SEC. 116. (a) Section 33(a)(7) of the Solid Waste Disposal Act Amendments of 1980 (42 U.S.C. 6981 note) is repealed.

(b) Section 2001(b)(3) of the Solid Waste Disposal Act (42 U.S.C. 6911(b)(3)) is repealed.

(c) Section 7007(c) of the Solid Waste Disposal Act (42 U.S.C. 6977(c)) is repealed.

(d) Section 127 of the Clean Air Act Amendments of 1977 is amended by—

(1) striking out subsection (b) (42 U.S.C. 7479 note);

(2) striking out subsection (d) (42 U.S.C. 7470 note); and

(3) redesignating subsection (c) as subsection (b).

(e) Section 102(d) of the Federal Water Pollution Control Act (33 U.S.C. 1252(d)) is repealed.

(f) Section 104(n) of the Federal Water Pollution Control Act (33 U.S.C. 1254(n)) is amended by striking out paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(g) Section 516(a) of the Federal Water Pollution Control Act (33 U.S.C. 1375(a)) is repealed.

(h) Section 9 of the Used Oil Recycling Act of 1980 (42 U.S.C. 6932 note) is repealed.

(i)(1) Section 1442(a)(3)(A) of the Public Health Service Act (42 U.S.C. 300j-1(a)(3)(A)) is repealed.

(2) Section 1442(a)(3)(B) of the Public Health Service Act (42 U.S.C. 300j-1(a)(3)(B)) is repealed.

(3) Section 1442 of the Public Health Service Act (42 U.S.C. 300j-1(c)) is amended by striking out subsection (c) and by redesignating subsections (d), (e), and (f) as subsections (c), (d), and (e), respectively.

(j) Section 1412(e)(2) of the Public Health Service Act (42 U.S.C. 300g-1(e)(2)) is repealed.

(k) Section 1450(h) of the Public Health Service Act (42 U.S.C. 300j-9(h)) is repealed.

(l) Section 210 of the Federal Water Pollution Control Act (33 U.S.C. 1290) is repealed.

**REPORTS BY THE FEDERAL COMMUNICATIONS COMMISSION**

SEC. 117. Section 5(g) of the Communications Act of 1934 (47 U.S.C. 155(g)) is repealed.

**REPORTS BY THE FEDERAL LABOR RELATIONS AUTHORITY**

SEC. 118. Section 7104(e) of title 5, United States Code, is repealed.

**REPORTS BY THE GENERAL SERVICES ADMINISTRATION**

SEC. 119. Section 10 of Public Law 94-519 (40 U.S.C. 493) is amended to read as follows:

"Sec. 10. Not later than thirty months after the effective date of this Act, and biennially thereafter, the Comptroller General of the United States shall transmit to the Congress a report which covers the two-year period from such date and contains: (1) a full and independent evaluation of the operation of this Act, (2) the extent to which the objectives of this Act have been fulfilled, (3) how the needs served by prior Federal personal property distribution programs have been met, (4) an assessment of the degree to which the distribution of surplus property has met the relative needs of the various public agencies and other eligible institutions, and (5) such recommendations as the Comptroller General determines to be necessary or desirable."



# REPORTS BY THE INTERSTATE COMMERCE COMMISSION

SEC. 120. Section 10732(b) of title 49, United States Code, is amended by striking out the second and third sentences.

# REPORTS BY THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

SEC. 121. Section 21(f) of the Small Business Act (15 U.S.C. 648(f)) is repealed.

# REPORTS BY THE NATIONAL SCIENCE FOUNDATION

SEC. 122. Section 8 of the National Science Foundation Authorization Act, 1977 (42 U.S.C. 1883) is amended by—

- (1) inserting "and" after the semicolon at the end of paragraph (3);
- (2) striking out the semicolon and "and" at the end of paragraph (4) and inserting in lieu thereof a period; and
- (3) striking out paragraph (5).

# REPORTS BY THE NUCLEAR REGULATORY COMMISSION

SEC. 123. Section 201(h) of the Energy Reorganization Act of 1974 (42 U.S.C. 5841(h)) is repealed.

# REPORTS BY THE OFFICE OF PERSONNEL MANAGEMENT

SEC. 124. (a) Section 5114 of title 5, United States Code, is repealed.

(b) The table of sections for chapter 51 of such title is amended by striking out the item relating to section 5114.

# REPORTS BY THE SMALL BUSINESS ADMINISTRATION

SEC. 125. Section 10 of the Small Business Act (15 U.S.C. 639) is amended by striking out subsection (g).

# TITLE II—MODIFICATIONS

## REPORTS BY MORE THAN ONE AGENCY

SEC. 201. (a) The first sentence of section 2(d) of Public Law 96-135 (25 U.S.C. 472a(d)) is amended by—

- (1) striking out "report following the close of each fiscal year" and inserting in lieu thereof "biennial report"; and
- (2) striking out "which they took in such fiscal year" and inserting in lieu thereof "which they have taken".

(b) Section 2(e)(2) of Public Law 96-135 (25 U.S.C. 472a(e)(2)) is amended by—

- (1) striking out "following the close of each fiscal year";
- (2) striking out "which they took in such fiscal year" and inserting in lieu thereof "which they have taken"; and
- (3) inserting "biennial" before "report".

(c) The first paragraph of section 11 of Public Law 92-195 (16 U.S.C. 1340) is amended to read as follows:

"The Secretary of Agriculture shall include in each report required under sections 528 and 529 of the Revised Statutes, and the Secretary of the Interior shall include in the annual report of the Department of the Interior, a joint statement of such Secretaries on the administration of this Act, including a summary of enforcement and/or other actions taken thereunder, costs, and such recommendations for legislative or other actions as such Secretaries may deem appropriate."

# REPORTS BY THE EXECUTIVE OFFICE OF THE PRESIDENT

SEC. 202. Section 9503(a) of title 31, United States Code, is amended by—

- (1) striking out "annual report" in paragraph (1) and inserting in lieu thereof "report shall be submitted every five years, and"; and
- (2) inserting "fifth" before "plan year involved" in paragraph (1)(B).

# REPORTS BY THE DEPARTMENT OF AGRICULTURE

SEC. 203. The last sentence of the paragraph under the heading "GENERAL SALES MANAGER—(ALLOTMENT FROM THE COMMODITY CREDIT CORPORATION) in title IV of Public Law 97-370 (15 U.S.C. 713a-10; 96 Stat. 1808) is amended by striking out "quarterly" and inserting in lieu thereof "annual".

# REPORTS BY THE DEPARTMENT OF COMMERCE

SEC. 204. (a) Section 7(a) of the Marine Resources and Engineering Development Act of 1966 (33 U.S.C. 1106(a)) is amended by striking "in January of each year" and inserting in lieu thereof "biennially in January".

(b) Section 16 of the Act of June 18, 1934 (48 Stat. 1002, chapter 590; 19 U.S.C. 81p) is amended by—

- (1) striking out "containing a full statement of all the operations, receipts, and expenditures, and such other information as the Board may require" in subsection (b) and inserting in lieu thereof "on zone operations"; and
- (2) striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Board shall make a report to Congress annually containing a summary of zone operations."

(c) Section 5(d)(9) of the National Climate Program Act (15 U.S.C. 2904(d)(9)) is amended by striking out "that shall be revised and extended biennially" and inserting in lieu thereof "that shall be reviewed every year and revised as appropriate".

(d) Section 202(c) of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1442(c)) is amended to read as follows:

"(c) In March of every other year, the Secretary of Commerce shall report to the Congress on the results of activities undertaken pursuant to this section during the previous two fiscal years."

# REPORTS BY THE DEPARTMENT OF EDUCATION

SEC. 205. (a)(1) Section 12(c) of the Act of September 23, 1950 (Public Law 815, Eighty-first Congress; 20 U.S.C. 642(c)) is amended by striking out "annual report" and inserting in lieu thereof "biennial report".

(2) Section 401(c) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress; 20 U.S.C. 242(c)) is amended by striking out "annual report" and inserting in lieu thereof "biennial report".

(b) Section 618(f)(2)(E) of the Education of the Handicapped Act (20 U.S.C. 1418(f)(2)(E)) is amended to read as follows:

"(E) an analysis and evaluation of the effectiveness of procedures undertaken by State educational agencies, local educational agencies, and intermediate educational units to ensure that handicapped children and youth receive special education and related services in the least restrictive environment commensurate with their needs and to improve programs of instruction for handicapped children and youth in day or residential facilities."

(c) Section 653(c) of the Education of the Handicapped Act (20 U.S.C. 1453(c)) is amended by striking out "The Secretary shall make an annual" and inserting in lieu thereof "Every three years, the Secretary shall make a".

# REPORTS BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

SEC. 206. (a) Section 5(h) of the International Health Research Act of 1960 (22 U.S.C. 2103(h)) is amended by striking out "to the Congress at the beginning of each regular session" and inserting in lieu thereof "biennially to the Congress".

(b) Section 22(f) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 671(f)) is amended by striking out "an annual" and inserting in lieu thereof "a biennial".

(c) Section 301(b)(4) of the Public Health Service Act (42 U.S.C. 241(b)(4)) is amended by—

- (1) striking out "an annual" in the matter preceding subparagraph (A) and inserting in lieu thereof "a biennial"; and
- (2) striking out "year" in subparagraph (D) and inserting in lieu thereof "previous two-year period".

(d) Section 404(a)(9) of the Public Health Service Act (42 U.S.C. 285(a)(9)) is amended by striking out ", not later than November 30 of each year,"

(e) Section 434(e) of the Public Health Service Act (42 U.S.C. 289c-1(e)) is amended by—

- (1) striking out ", as soon as practicable, but not later than sixty days, after the end of each fiscal year," in the first sentence;
- (2) striking out "an annual" in the first sentence and inserting in lieu thereof "a biennial"; and
- (3) striking out "annual" in the second sentence and inserting in lieu thereof "biennial".

(f) Section 435(b) of the Public Health Service Act (42 U.S.C. 289c-2(b)) is amended by—

- (1) striking out "an annual" and inserting in lieu thereof "a biennial"; and
- (2) striking out "on or before November 30 of each year".

(g) Section 439(e) of the Public Health Service Act (42 U.S.C. 289c-6(e)) is amended by—

- (1) striking out "an annual" and inserting in lieu thereof "a biennial"; and
- (2) striking out "on or before November 30 of each year".

(h)(1) Section 308(a) of the Age Discrimination Act of 1975 (42 U.S.C. 6106a(a)) is amended by—

(A) striking out "Not later than December 31 of each year (beginning in 1979), the head of each Federal department or agency shall submit to the Secretary of Health and Human Services a report" and inserting in lieu thereof "Not later than December 31 of each year after calendar year 1984 in which the Secretary of Health and Human Services requires a report under this section, the head of each Federal department or agency shall submit to the Secretary of Health and Human Services such report, which shall";

(B) striking out "describing" in clause (1) and inserting in lieu thereof "describe"; and

(C) striking out "containing" in clause (2) and inserting in lieu thereof "contain".

(2) Section 308(b) of such Act (42 U.S.C. 6106a(b)) is amended by striking out "Not later than March 31 of each year (beginning in 1980), the Secretary of Health and Human Services" and inserting in lieu thereof "Not later than March 31 of each year following a year in which the Secretary of Health and Human Services requires reports under subsection (a), the Secretary".

# REPORTS BY THE DEPARTMENT OF JUSTICE

SEC. 207. (a) Section 207(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 488(c)) is amended by—

- (1) striking out "aggregate amount of the original acquisition cost of such property to the Government and all capital expenditures made by the Government with respect thereto is less than \$1,000,000" and inserting in lieu thereof "estimated appraised fair

market value of such property is less than \$3,000,000" in paragraph (1); and  
 (2) striking out "acquisition cost" and inserting in lieu thereof "estimated appraised fair market value" in paragraph (2).

(b) Section 252(i) of the Energy Policy and Conservation Act (42 U.S.C. 6272(i)) is amended—

- (1) by striking out "each"; and
- (2) by striking out "6 months," and inserting in lieu thereof "other year, on an alternating basis,".

#### REPORTS BY THE DEPARTMENT OF TRANSPORTATION

Sec. 208. (a) Section 107 of the Federal Aviation Act of 1958 (49 U.S.C. 1307) is amended by—

- (1) striking out "each January 31 thereafter" in subsection (b) and inserting in lieu thereof "each June 30 thereafter"; and
- (2) striking out "each January 31 thereafter" in subsection (c) and inserting in lieu thereof "each June 30 thereafter".

(b) Section 315(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1356(a)) is amended by striking out "semiannual reports" in the last sentence and inserting in lieu thereof "annual reports".

#### REPORTS BY THE DEPARTMENT OF THE TREASURY

Sec. 209. (a) Section 201(f) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821(f)) is amended by—

- (1) striking out "Secretary of the Treasury, in cooperation with the"; and
- (2) striking out the comma after "the Secretary of State".

(b) Section 6103(p)(5) of the Internal Revenue Code of 1954 is amended by striking out "quarter" and inserting in lieu thereof "year".

#### REPORTS BY THE GENERAL SERVICES ADMINISTRATION

Sec. 210. (a) Section 7(a) of Public Law 90-480 (commonly referred to as the Architectural Barriers Act of 1968) (42 U.S.C. 4157(a)) is amended by—

- (1) striking out "during the first week of January of each year" and inserting in lieu thereof "by January 1, 1986, and biennially thereafter,";
- (2) striking out "preceding fiscal year" and inserting in lieu thereof "two preceding fiscal years"; and
- (3) striking out "such year" and inserting in lieu thereof "such years".

(b) Section 203(j)(4)(E) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j)(4)(E)) is amended by striking out "\$3,000" and inserting in lieu thereof "\$5,000".

#### REPORTS BY THE UNITED STATES MERIT SYSTEMS PROTECTION BOARD

Sec. 211. Section 7701(i)(2) of title 5, United States Code, is amended by striking out "calendar" and inserting in lieu thereof "fiscal".

□ 1215

#### MOTION OFFERED BY MR. BROOKS

Mr. BROOKS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BROOKS moves to strike out all after the enacting clause of the Senate bill, S. 992, and to insert in lieu thereof the provisions of H.R. 2518, as passed by the House.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Texas [Mr. BROOKS].

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 2518) was laid on the table.

#### CLARIFYING DEFINITION OF LOCAL SERVICE AREA OF LOW-POWER TELEVISION STATIONS

Mr. KASTENMEIER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3108) to amend title 17, United States Code, to clarify the definition of the local service area of a primary transmitter in the case of a low-power television station.

The Clerk read as follows:

#### H.R. 3108

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the fourth paragraph of section 111(f) of title 17, United States Code, relating to the definition of local service area of a primary transmitter, is amended by adding after the first sentence the following new sentence: "In the case of a low power television station, as defined by the rules and regulations of the Federal Communications Commission, the 'local service area' of a primary transmitter comprises the area within 35 miles of the transmitter site, except that in the case of such a station located in a standard metropolitan statistical area which has one of the 50 largest populations of all standard metropolitan statistical areas (based on the 1980 decennial census of population taken by the Secretary of Commerce), the number of miles shall be 20 miles."

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Wisconsin [Mr. KASTENMEIER] will be recognized for 20 minutes and the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. KASTENMEIER].

Mr. KASTENMEIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today, I bring before the House a bill (H.R. 3108) to cure a definitional problem in the copyright law. The problem involves low-power television, an exciting new service—authorized in 1982 by the Federal Communications Commission—to provide local television service in markets underserved by conventional television.

Current copyright law creates confusion and uncertainty with regard to transmitting local low-power television station signals via cable because the law can be construed as defining such signals as "distant signals" under copyright, subjecting them to royalty fees and limiting the ability of such low-revenue stations to provide television service.

When I first learned of the problem in October 1984 (at the end of the last Congress), I contacted my counterpart

chairman on the Senate side (Senator CHARLES MCC. MATHIAS, JR.), and together we wrote to the then-Register of Copyrights, David Ladd, asking that administrative action be taken to resolve the matter.

The Copyright Office responded by expeditiously holding a public hearing; the Office determined that it would henceforth abide by the determination of a cable system as to whether or not a low-power television signal carried by that cable system is a local signal and therefore exempt from the royalty fee. In a letter from General Counsel (Ms. Dorothy Schrader), the Office expressly stated:

That the status of low power television signals under the cable compulsory license is ambiguous. Accordingly, in examining cable Statements of Account, the Copyright Office will not question the determination by a cable system that a low power station's signal is "local" within an area approximating the normal coverage zone of such station.

The Copyright Office further expressed its firm support for legislative clarification of the statutory ambiguity by a technical amendment to the Copyright Act.

H.R. 3108 accomplishes that objective. The bill is in the nature of a technical amendment to section 111(f) to clarify that subsection's definition of "local service area of a primary transmitter" as applied to low-power television.

The existing statutory definition of the "local service area of a primary transmitter" covers those broadcast services in existence in 1976, full-owner domestic TV stations, Canadian and Mexican stations, and radio stations. Because all full-power domestic stations were subject to the mandatory carriage rules, Congress defined the area of local service for copyright purposes in terms of the must-carry area specified in FCC rules.

Paraphrasing, today's legislation is not affected by the finding of the D.C. Circuit Court that present must-carry rules are unconstitutional as violative of the first amendment. See *Quincy versus Federal Communications Commission*. Nor does this legislation affect the outcome of the Quincy decision on appeal.

Because low-power television stations did not exist in 1976 and are not subject to mandatory carriage at all, current law must be clarified to insure that low-power stations are treated in the same manner as full-power domestic and Canadian and Mexican signals with respect to when carriage of those signals will be "local" and royalty-free and when they will be "distant."

To this end, H.R. 3108 modifies section 111(f) to define specifically the "local service area" of low-power television stations in a manner such that cable systems will know with precision when their carriage of such a station



is "local" and when it is "distant." For low-power stations located outside the 50 metropolitan statistical areas with the largest populations based on the 1980 Census, that area would comprise a radius of 35 miles from the low-power station's transmitter site. Therefore, a cable system located within that area may carry that station's signal as a "local" signal without payment of royalties. In heavily populated areas represented by the top 50 metropolitan statistical areas, however, the area of local service would be reduced by 20 miles.

It is believed that the amendment will remove any remaining copyright ambiguities facing cable systems and enable decisions as to whether or not to carry low-power stations on a local basis to be based on what is best for the subscribers and the community served.

The result of this statutory clarification will be increased programming possibilities in under-served small communities, promotion of localism, the freer flow of information and ideas and more satisfied viewers.

H.R. 3108 entails no costs to the Government and the proposed legislation has engendered no known opposition.

I urge an "aye" vote.

Mr. MOORHEAD, Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to indicate my support for H.R. 3108, which amends section 111(f) of title 17, United States Code, to add a precise definition of the local service area for low-power TV stations which will make it clear that low-power television signals are not "distant" signals for purposes of calculating copyright liability. This change to title 17 is in the nature of a clarifying amendment, and is without opposition.

I would just note that it was the gentleman from Wisconsin [Mr. KASTENMEIER] along with Senator MATHIAS who initially raised this issue on October 1, 1984, in a letter to the then Register of Copyrights David Ladd. The Copyright Office in their reply letter of November 29, 1984, concluded that the status of low-power TV signals under the Copyright Act is ambiguous. The Copyright Office then made the policy decision that they would not question the determination by a cable system that a low-power station's signal is "local" within an area approximating the normal coverage zone of such station.

Accordingly, H.R. 3108 in clarifying the status of low-power TV signals, would conform existing law to present policy. Specifically, the local service area for a low-power TV station is defined as comprising an area 35 miles from its transmitter site, or in the case of low-power TV stations located within the 50 Metropolitan Statistical

Areas with the largest population based on the 1980 census, the area is to be 20 miles from the transmitter site.

This situation surrounding low-power TV is a good example of a copyright question that has arisen from the development of new communications technologies which was not foreseen when the copyright law was rewritten in 1976. I believe that the definition provided for in H.R. 3108 will remove any existing ambiguities as they relate to a cable system's copyright liability for the retransmission of the programming of low-power TV stations and I commend the gentleman from Wisconsin [Mr. KASTENMEIER] for his initiative on this issue. There are no costs associated with H.R. 3108 and I urge its passage.

□ 1225

Mr. KASTENMEIER. Mr. Speaker, I yield myself 3 minutes.

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. KASTENMEIER. I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the gentleman for yielding.

Mr. Speaker, the reason that I rise is that I saw this in the Whip's notice last week. I do not know how it is throughout the country, but I know in my area what we have has been a sell-out of people's access to the airwaves which I thought the original Broadcasting Act of 1934 said it was the people's airwaves.

What it is turning out to be has been anything but the people's airwaves. In this case, I know this is a special category. I do not claim any expertise, but does the gentleman, and I know that the gentleman is looking at it from the copyright duplication standpoint, and I know that this question might be directed to the Committee on Transportation or Energy and the like, but does the gentleman relate this with respect to the low power and the delimitation of the territory to the current controversy with respect to the duplication of programs and the like on the regular cable?

Mr. KASTENMEIER. In answer to the gentleman from Texas, I would say the answer to the gentleman from Wisconsin is no, I do not relate it to that. The gentleman is correct; this is not a policy issue with respect to access or ownership to television programming. What it merely does, solely does, is to enable the low-power stations, which are relatively new, and I think the gentleman would agree, has more of a potential of being a people's station in terms of access, enable those to be carried by cable systems because cable systems would otherwise be told, "Well, those are distant signals," even though the right, let us say, in Behar Country or something, and therefore what would happen is that the cable

would say, "Well, no, I will not put you on because I have to pay a very special royalty to put you on even though you are right in this area."

We say that no, those are local signals, you can put those on without paying that royalty. The question of programming or who gets license or what other rules are applied is a policy question which the gentleman alluded to, the Energy and Commerce Committee and the Federal Communications Commission would respond to, I would hope. We are solely interested in the Copyright Act's response to whether or not a type of transmission, new type of transmission, low power, can in fact be carried by cable systems.

Mr. GONZALEZ. I thank the distinguished chairman for a very lucid and full explanation. I would also like to compliment the gentleman in this area which I think the gentleman is quite correct, has the potential for leaving the people a little leeway of access without having to pay a monthly rental as we are now.

Mr. KASTENMEIER. I thank the gentleman from Texas for asking the question.

Mr. Speaker, I reserve the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in further response to the issue that was just raised, under the Copyright Tribunal's rulings, cable company has to pay 3.75 percent of its gross for carrying a distant signal, whether the programming is owned by the motion picture industry or broadcasters or whoever. H.R. 3108 will make it clear what low-power TV programming cable can carry without incurring copyright liability.

We are trying to clarify the existing ambiguity so that it precisely indicates what the intention of our committee was, and that is that cable should not have to pay unless the low-power signals are beyond the ranges that are specifically set forth in this bill.

It is a good piece of legislation. It does not go to the issues that the gentleman was referring to, and I want to commend the chairman of our subcommittee again for working this problem out.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. KASTENMEIER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Wisconsin [Mr. KASTENMEIER] that the House suspend the rules and pass the bill, H.R. 3108.

The question was taken; and (two-thirds having voted in favor thereof)

the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

#### HORSEPASTURE SCENIC RIVER, NORTH CAROLINA

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2826) to amend the Wild and Scenic Rivers Act by designating a segment of the Horsepasture River in the State of North Carolina as a component of the National Wild and Scenic Rivers System, as amended.

The Clerk read as follows:

H.R. 2826

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. DESIGNATION OF HORSEPASTURE RIVER.

Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by redesignating the paragraphs relating to the Au Sable River, the Tuolumne River, the Illinois River, and the Owyhee River as paragraphs (52) through (55) and by inserting the following new paragraph after paragraph (55) as so redesignated:

(56) HORSEPASTURE, NORTH CAROLINA.—The segment from Bohaynee Road (N.C. 281) downstream approximately 4.25 miles to where the segment ends at Lake Jocassee, to be administered by the Secretary of Agriculture. Notwithstanding any limitation of section 6 of this Act, the Secretary is authorized to utilize the authority of this Act and those pertaining to the National Forests to acquire by purchase with donated or appropriated funds, donation, exchange or otherwise, such non-Federal lands or interests in lands within, near, or adjacent to the designated segments of the river which the Secretary determines will protect or enhance the scenic and natural values of the river.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from North Carolina [Mr. HENDON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2826 was introduced by our colleague on the subcommittee, BILL HENDON, and would amend the Wild and Scenic Rivers Act by designating a 4¼-mile segment of the Horsepasture River in the State of

North Carolina as a component of the National Wild and Scenic River System.

The Horsepasture River is located within the boundary of the Nantahala National Forest in the State of North Carolina. The segment of the Horsepasture River proposed for inclusion in the National Wild and Scenic River System drops 1,700 feet in 4 miles off the Blue Ridge escarpment in western North Carolina, just north of the South Carolina line. In this short distance there are five magnificent waterfalls. Large numbers of visitors come every week to visit and enjoy the river. Several unusual species of rhododendron grow in profusion in the gorge. The lower part of the gorge, which contains virgin timber, has been designated as a Society of American Foresters Natural Area and as a North Carolina Natural Heritage Area.

Mr. Speaker, I urge passage of H.R. 2826.

Mr. Speaker, I reserve the balance of my time.

Mr. HENDON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2826, a bill I have introduced to include the Horsepasture River as a component of the National Wild and Scenic River System.

As my chairman said, the Horsepasture River, truly one of the most magnificent rivers in America, is located within the boundaries of the Nantahala National Forest in western North Carolina, in my congressional district. It is a 4.2-mile segment. It drops, as the chairman said, 1,700 feet in just 4.25 miles.

It is important to note that this segment has been threatened by a hydroelectric power project, and it is imperative that we save it from such a tragic fate by passing this very important piece of legislation.

Mr. Speaker, there is no controversy, either here or in North Carolina whatsoever, so I will take no additional time. In closing, I must tell my colleagues of the outstanding job that Subcommittee Chairman VENTO has done in supporting this legislation.

I thank him and I congratulate him.

□ 1235

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. HENDON. I am happy to yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I want to thank the gentleman from North Carolina for his comments. Really it has been good to work with the gentleman from North Carolina in accomplishing this. He has been a gentleman throughout, and I appreciate his support.

Mr. HENDON. Mr. Speaker, I appreciate the gentleman's kind remarks, and I also wish to thank our ranking minority member of the subcommit-

tee, the gentleman from California [Mr. LAGOMARSINO], for his fine assistance.

Mr. Speaker, I urge that the House suspend the rules and pass H.R. 2826.

Mr. LAGOMARSINO. Mr. Speaker, I rise in strong support of H.R. 2826.

This legislation would designate a 4.2-mile segment of the Horsepasture River in North Carolina as a component of the National Wild and Scenic Rivers System. There is no doubt, Mr. Speaker, that this stretch of the river qualifies for wild and scenic designation. Within this magnificent segment, the river falls over 1,200 feet down five spectacular waterfalls. Very few rivers could claim so many or such different falls within such a short stretch. In addition to its scenic values, the river is the home of numerous species of unique plants, fish, and wildlife. It also provides outstanding recreational opportunities for large numbers of visitors year-round.

During the 98th Congress, legislation was enacted to include this segment of the Horsepasture River as a wild and scenic study river. In addition, the State of North Carolina included the segment in the State natural and rivers system.

I would like to commend the gentleman from North Carolina [Mr. HENDON] for his outstanding work to protect this exceptional resource. His efforts will allow Americans to continue to enjoy the scenic and recreational values of the Horsepasture River as well as preserve it for the enjoyment of future generations. I would also like to commend the subcommittee chairman, Mr. VENTO, for moving this important legislation forward.

In closing, I strongly urge all of my colleagues to support H.R. 2826.

Mr. HENDON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 2826, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on H.R. 2826, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.



# BIG CYPRESS NATIONAL PRESERVE ADDITION ACT

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4090) to establish the Big Cypress National Preserve Addition in the State of Florida, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4090

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*  
SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the "Big Cypress National Preserve Addition Act".

(b) AMENDMENT OF BIG CYPRESS NATIONAL PRESERVE ACT.—Whenever in this Act an amendment is expressed in terms of an amendment to the Act of October 11, 1974, such amendment shall be considered to be made to the Act entitled "An Act to establish the Big Cypress National Preserve in the State of Florida, and for other purposes", approved October 11, 1974 (88 Stat. 1258; 16 U.S.C. 698f and following).

## SEC. 2. FINDING AND PURPOSE.

(a) FINDINGS.—The Congress finds that:

(1) The planned construction of Interstate 75 is presently being designed in such a way as to improve the natural water flow to the Everglades National Park, which has been disrupted by State Road 84 (commonly known as "Alligator Alley").

(2) The planned construction of Interstate 75 provides an opportunity to enhance protection of the Everglades National Park, to promote protection of the endangered Florida panther, and to provide for public recreational use and enjoyment of public lands by expanding the Big Cypress National Preserve to include those lands adjacent to Interstate 75 in Collier County north and east of the Big Cypress National Preserve, west of the Broward County line, and south of the Hendry County line.

(3) The Federal acquisition of lands bordering the Big Cypress National Preserve in conjunction with the construction of Interstate 75 would provide significant public benefits by limiting development pressure on lands which are important both in terms of fish and wildlife habitat supporting endangered species and of wetlands which are the headwaters of the Big Cypress National Preserve.

(4) Public ownership of lands adjacent to the Big Cypress National Preserve would enhance the protection of the Everglades National Park while providing recreational opportunities and other public uses currently offered by the Big Cypress National Preserve.

(b) PURPOSE.—It is the purpose of this Act to establish the Big Cypress National Preserve Addition.

## SEC. 3. ESTABLISHMENT AND ADMINISTRATION OF ADDITION.

(a) ADDITION.—The Act of October 11, 1974, is amended by adding at the end thereof the following section:

### "SEC. 9. BIG CYPRESS NATIONAL PRESERVE ADDITION.

"(a) ESTABLISHMENT.—In order to—

"(1) achieve the purposes of the first section of this Act;

"(2) complete the preserve in conjunction with the planned construction of Interstate Highway 75; and

"(3) insure appropriately managed use and access to the Big Cypress Watershed in

the State of Florida, the Big Cypress National Preserve Addition is established.

"(b) MAP AND BOUNDARIES.—The Big Cypress National Preserve Addition (referred to in this Act as the 'Addition') shall comprise approximately 136,000 acres as generally depicted on the map entitled Big Cypress National Preserve Addition, dated June, 1986, and numbered 176-91000B, which shall be on file and available for public inspection in the Office of the National Park Service, Department of the Interior, Washington, D.C., and shall be filed with appropriate offices of Collier County in the State of Florida. The Secretary shall, as soon as practicable, publish a detailed description of the boundaries of the Addition in the Federal Register.

"(c) ADMINISTRATION.—The area within the boundaries depicted on the map referred to in subsection (b) shall be known as the Big Cypress National Preserve Addition and shall be managed in accordance with section 4.

"(d) COMPLETION OF ACQUISITION.—For purposes of administering the Addition and notwithstanding section 2(c), it is the express intent of the Congress that the Secretary should substantially complete the land acquisition program contemplated with respect to the Addition within 5 years after the enactment of this section."

(b) HUNTING, FISHING, AND TRAPPING.—Section 5 of the Act of October 11, 1974, is amended by inserting "and the Addition" after "preserve" each place it appears.

(c) SUITABILITY AS WILDERNESS.—Section 7 of the Act of October 11, 1974, is amended—

(1) by inserting "with respect to the preserve and 5 years from the date of the enactment of the Big Cypress National Preserve Addition Act with respect to the Addition" after "date of the enactment of this Act" in the first sentence; and

(2) by inserting "or the area within the Addition (as the case may be)" after "preserve" each place it appears.

(d) INDIAN RIGHTS.—Section 6 of the Act of October 11, 1974, is amended as follows:

(1) In clause (i) insert "and the Addition" after "preserve" and insert "(January 1, 1985, in the case of the Addition)" after "1972".

(2) In clause (ii) insert "or within the Addition" after "preserve".

## SEC. 4. ACQUISITION OF LAND WITHIN ADDITION.

(a) UNITED STATES SHARE OF ACQUISITION COSTS.—The first section of the Act of October 11, 1974, is amended by adding at the end thereof the following new subsection:

"(d)(1) The aggregate cost to the United States of acquiring lands within the Addition may not exceed 80 percent of the total cost of such lands.

"(2) Except as provided in paragraph (3), if the State of Florida transfer to the Secretary lands within the Addition, the Secretary shall pay to or reimburse the State of Florida (out of funds appropriated for such purpose) an amount equal to 80 percent of the total costs to the State of Florida of acquiring such lands.

"(3) The amount described in paragraph (2) shall be reduced by an amount equal to 20 percent of the amount of the total cost incurred by the Secretary in acquiring lands in the Addition other than from the State of Florida.

"(4) For the purposes of this subsection, the term 'total cost' means that amount of the total acquisition costs (including the value of exchanged or donated lands) less the amount of the costs incurred by the Federal Highway Administration and the

Florida Department of Transportation, including severance damages paid to private property owners as a result of the construction of Interstate 75."

(b) METHODS OF LAND ACQUISITION IN THE ADDITION.—The first sentence of subsection (c) of the first section of the Act of October 11, 1974, is amended—

(1) by inserting "or the Addition" after "preserve" the first place it appears; and

(2) in the first proviso—

(A) by inserting "in the preserve" after "subdivisions,"; and

(B) by striking out the colon and inserting in lieu thereof "and, any land acquired by the State of Florida, or any of its subdivisions, in the Addition shall be acquired in accordance with subsection (d)";

(c) VALUATION AND APPRAISAL.—The fourth sentence of subsection (c) of such section is amended by inserting "or the Addition" after "preserve" each place it appears.

(d) ACQUISITION OF PROPERTY RIGHTS BY THE STATE OF FLORIDA.—Subsection (c) of such section is amended by adding at the end thereof the following: "Nothing in this Act shall be construed to interfere with the right of the State of Florida to acquire such property rights as may be necessary for Interstate 75."

(e) EXCLUSION OF SUBSURFACE ESTATE.—The second and third sentences of subsection (c) of such section are each amended by inserting "and the Addition" after "preserve" each place it appears.

(f) IMPROVED PROPERTY IN ADDITION.—Section 3(B) of the Act of October 11, 1974, is amended—

(1) in paragraph (i) by inserting "with respect to the preserve and January 1, 1986, with respect to the Addition" after "November 23, 1971,"; and

(2) in paragraph (ii)—

(A) by inserting "with respect to the preserve and January 1, 1986, with respect to the Addition" after "November 23, 1971," the first place it appears; and

(B) by inserting "or January 1, 1986, as the case may be," after "November 23, 1971," the second and third places it appears.

## SEC. 5. COOPERATION AMONG AGENCIES.

The Act of October 11, 1974, is further amended by adding at the end thereof the following new section:

### "SEC. 10. COOPERATION AMONG AGENCIES.

"The Secretary and other involved Federal agencies shall cooperate with the State of Florida to establish recreational access points and roads, rest and recreation areas, appropriate wildlife protection, and, where appropriate, hunting, fishing, frogging, and other recreational opportunities in conjunction with the creation of the Addition and in the construction of Interstate Highway 75. Not more than 3 of such access points shall be located within the preserve (including the Addition)."

## SEC. 6. REPORT TO CONGRESS.

The Act of October 11, 1974, is further amended by adding at the end thereof the following new section:

### "SEC. 11. REPORT TO CONGRESS.

"Not later than 3 years after the enactment of this section, the Secretary shall submit to the Congress a detailed report on, and further plan for, the preserve and Addition. The report and further plan shall include each of the following:

"(1) The status of the existing preserve, the effectiveness of past regulation and management of the preserve, and recommendations for future management of the preserve and the Addition.

"(2) The need for involvement of other Federal and State agencies to accomplish the objectives of the preserve and Addition.

"(3) The status of land acquisition.

"(4) A determination, made in conjunction with the State of Florida, of the adequacy of the number, location, and design of the recreational access points on Interstate 75 (Alligator Alley) for access to the Big Cypress National Preserve, including the Addition.

The determination referred to in paragraph (4) shall incorporate the results of any related studies of the State of Florida Department of Transportation and other Florida State agencies. Any recommendation for significant changes in the approved recreational access points, including any proposed additions, shall be accompanied by an assessment of the environmental impact of such changes."

#### SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

Section 8 of the Act of October 11, 1974, is amended—

(1) by striking out "There" in the first sentence and inserting in lieu thereof "(a) IN GENERAL.—Except as provided in subsection (b), there"; and

(2) by adding at the end thereof the following new subsection:

"(b) ADDITION.—There are authorized to be appropriated such sums as may be necessary for acquisition of lands and for development within the Addition."

The SPEAKER pro tempore. Is a second demanded?

Mr. HENDON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from North Carolina [Mr. HENDON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

#### GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the measure presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4090 was introduced by our colleague, Tom LEWIS, and is supported by the entire Florida delegation. The bill would modify the boundary of the Big Cypress National Preserve to add some lands to the preserve.

Big Cypress Preserve was established by Public Law 93-440 in 1974. The preserve contains about 575,000 acres within the boundaries and is typical of the marshlands of southern Florida. The preserve abuts Everglades National Park in the north, and is an extension of the unique ecosystem of the Everglades containing large numbers

of plant and animal species found nowhere else in North America, including 21 rare or endangered species.

This area is bisected by "Alligator Alley," a State highway that runs from Fort Lauderdale to Naples across the southern tip of Florida. This highway is in the process of being upgraded to become a section of Interstate 75. During the process of that conversion, funds provided through the highway trust fund will be used to pay some 60 percent, the value of the surface rights for 88,000 acres of the proposed addition to the preserve. H.R. 4090 would provide that the remaining 40 percent would be provided by the Federal Government, 80 percent, and the State of Florida, 20 percent. This timely coordination between Federal program execution in cooperation with the State of Florida and the landowners would result in full protection for an important area at a great savings to the taxpayers. The remaining 48,000 acres would be acquired by Federal, 80 percent, and State, 20 percent, funding.

The 136,000 acres added to the preserve by H.R. 4090 would be managed in the same manner as the existing preserve to provide for protection of this unique North American ecosystem and to provide for recreation use, including fishing and hunting. Subsurface rights would be retained by private owners and exploration and development of any mineral or oil and gas would be permitted under the same authorities and in the same manner as provided in the 1974 act establishing the Big Cypress Preserve.

Mr. Speaker, I wish to commend our colleague, Tom LEWIS, for his work on this bill. His knowledge of the area, his understanding of its great importance to the entire south Florida ecosystem and efforts in persuading his colleagues of the need to protect this resource has been crucial to our success in bringing this bill to the floor today. I am also indebted to Gov. Bob Graham and his staff for all of their efforts and for the strong support of Governor Graham in working the many complicated aspects of this bill.

Mr. Speaker, I urge all of my colleagues to support this bill.

Mr. HENDON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4090. As the chairman of the subcommittee has explained, this legislation would authorize the expansion of the Big Cypress National Preserve located in Florida.

Due to the unique approach embodied in H.R. 4090, the Federal Government will be able to acquire the land addition without paying full cost. More importantly, acquisition will preserve the wetland areas which are so critical as habitat for fish and wildlife, particularly the endangered Florida panther.

I want to commend the bill's sponsor, our colleague from Florida (Mr. LEWIS) for his hard work and diligence on this legislation. I would also like to commend the subcommittee chairman, Mr. VENTO, for moving this important bill forward. I believe this is an outstanding piece of legislation and I urge all of my colleagues to support and vote for H.R. 4090.

Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Speaker, I rise in support of H.R. 4090.

Mr. Speaker, as the gentleman from North Carolina has brought out, we have a great opportunity today to support H.R. 4090, the Big Cypress National Preserve Addition. This important legislation is cosponsored by the entire Florida delegation and has received widespread praise and broad, bipartisan support.

H.R. 4090 provides a unique opportunity to acquire and protect land in southwest Florida of unquestioned importance and beauty for an important addition to the Big Cypress National Preserve.

This area is undoubtedly worth preserving and enhancing for its unique and wild beauty; however, make no mistake. It must be protected because it forms the water supply system for well over 4.5 million south Florida residents.

Because of the significant public benefit associated with the acquisition of this land, I, my Florida colleagues and members of the Interior Committee believe this is a task worthy of congressional attention. Therefore, I urge passage of H.R. 4090, the Big Cypress National Preserve Addition.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of H.R. 4090, to authorize a significant addition to the Big Cypress National Preserve in southern Florida.

This legislation provides us with a unique opportunity to acquire and protect this important addition, without paying full value for the land. Due to the proposed conversion of Alligator Alley to Interstate 75 later this year, highway severance funds can be utilized to pay a major portion of the acquisition costs. The additional expenditures would be cost-shared by the Federal and State governments, 80 percent and 20 percent, respectively.

Acquisition of this area will preserve the wetland areas which serve as important fish and wildlife habitat and also as recharge sources for southern Florida's water supply. Expansion of the preserve will also result in significant public benefits since the bill allows the same multiple uses of the addition which are currently permitted in the preserve, including hunting, fishing, and trapping. Large numbers of sportsmen from across the country have enjoyed these activities within the preserve for many years and will now have the benefit of an expanded area. Mineral exploration and development, which is currently per-



mitted in the preserve, would also be allowed in the addition since only the surface rights would be acquired under the bill's provisions. I believe that all of these uses can successfully go hand in hand with recreation and preservation and strongly feel they should be continued in the future. In order to allow the necessary access to the preserve addition for the public's use, the bill allows for the establishment of three recreational access points along Interstate 75 within the boundaries of the preserve and addition.

H.R. 4090 also requires the Secretary to submit to Congress within 3 years after the bill's enactment, a detailed report on the Big Cypress Preserve and addition including management recommendations, a public use summary, the status of land acquisition, and recommendations on recreational access points. This information will enable Congress to review the management of, and activities within, the preserve in the future and make any necessary changes or improvements.

During subcommittee action on the bill, an amendment was approved which adds an additional 10,000 acres, known as the Fakahatchee Strip, to the preserve addition. I believe this strip of land, which has been recommended for acquisition by the U.S. Fish and Wildlife Service as key habitat for the endangered Florida panther, will prove to be a significant part of the preserve addition.

I would like to commend the bill's sponsor, the gentleman from Florida [Mr. LEWIS] for his outstanding efforts and diligence in pursuing passage of this bill. I believe he has put together an excellent piece of legislation for which I am pleased to lend my strong support. I would also like to commend the subcommittee chairman, Mr. VENTO, for his work on this legislation.

H.R. 4090 has received widespread praise and broad, bipartisan support as an important expansion of an area critical to the Florida Everglades ecosystem. Therefore, I urge all of my colleagues to support and vote for this legislation.

Mr. MACK. Mr. Speaker, I am pleased to lend my support to the legislation pending before us, H.R. 4090, introduced by my good friend from Florida, Mr. TOM LEWIS. This bill seeks to acquire and protect additional acreage for the Big Cypress National Preserve, a major land area in Florida that has profound importance as a watershed, wildlife habitat, and recreational resource.

This legislation offers a unique opportunity to accomplish a number of important objectives with one stroke. The innovative feature of the bill would use Federal highway money which would normally fund right-of-way severance damages for the conversion of "Alligator Alley" to Interstate 75 for the outright purchase of the surrounding land. Thus, a much needed upgrading of this highway to interstate standards, including improvements in the roadway's compatibility with the wetland environment, can be accomplished at the same time that additional acreage in Big Cypress is given Federal protection. Highway severance money will provide 60 percent of the funding needed to purchase the needed acreage. For the remaining balance, the State of Florida will provide 20-percent funding, while the Federal Government's 80 percent can be handled as

an outright purchase or by a land exchange agreement.

The bill provides for protection under the public domain of 136,000 acres in one of Florida's last large parcels of pristine land. This valuable area, which includes wetlands, cypress swamps and hardwood hammocks, is a crucial component of the water system of the Florida Everglades, which has experienced severe water related damage in the last decade. Not only does this system feed the aquatic life of the Everglades, but it provides for the recharging of ground water that supplies an ever growing population and economy in south Florida. The area sustains a wide variety of wild plant and animal life, including the Florida panther, the bald eagle, native orchids, and other endangered species.

I believe that for the protection of these unique resources which are true national treasures, the preservation of adequate water supplies for millions of south Floridians, and the improvement of our transportation infrastructure, H.R. 4090 deserves the support of this body.

Mr. YOUNG of Florida. Mr. Speaker, I rise in strong support of H.R. 4090, legislation to provide for the addition of land to Florida's Big Cypress National Preserve.

My colleague from Florida, Mr. LEWIS, is to be commended for his leadership in sponsoring this legislation and working with the Interior and Insular Affairs Committee to hold hearings and to make it possible for us to consider this matter here today. As I said in my testimony to the committee on May 13, H.R. 4090 has the strong, bipartisan support of our entire delegation. We recognize that the addition of land to the Big Cypress National Preserve will provide important environmental protection to some of Florida's most beautiful and unique park land at a significant savings to the American taxpayers.

The addition of 136,000 acres to the preserve will expand the protected natural habitat for endangered wildlife native to the area. The preserve is home to many plants and animals that are found nowhere else in North America, including 21 rare or endangered species such as orchids, bald eagles, and Florida panthers. The Federal land acquisition authorized by this legislation would enable the National Park Service to supplement ongoing programs in the area to further protect these rare and threatened species.

The additional preserve area also would provide important recreational areas and opportunities for our residents. Park land is rapidly being crowded out in other parts of the State by our growing population and expanding urban areas.

Another environmental factor in this matter is the significant impact the Big Cypress National Preserve has on the water supply for the Everglades National Park. Alligator Alley, the highway which cuts through the Big Cypress Area has disrupted the natural water flow to the Everglades, a 1.3-million-acre park that is one of our Nation's most delicately balanced ecosystems. The public acquisition of additional land for the Big Cypress National Preserve will prevent future development of the area and enable the implementation of new and more effective water management methods, along with the construction of I-75

through the area, to enhance water flow to the Everglades and reduce future environmental threats to the region.

Finally, the purchase of additional acreage for the preserve in conjunction with severance proceedings for the Alligator Alley—I-75 conversion will enable the Federal Government to acquire this land at a significantly lower cost than otherwise might be possible. The committee is to be commended for acting on this legislation in such an expedient manner. Such action is critical if we are to take advantage of this unique opportunity to acquire new Federal lands at a savings to the American taxpayers.

Mr. Speaker, I strongly support H.R. 4090 because it provides for our State's and our Nation's critical environmental needs while at the same time ensuring the efficient allocation of Federal resources.

Mr. HENDON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4090, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### EL MALPAIS NATIONAL MONUMENT IN NEW MEXICO

Mr. SEIBERLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3684) to designate the El Malpais lava flow and adjacent public lands as a National Monument to be managed by the Bureau of Land Management, as amended.

The Clerk read as follows:

H.R. 3684

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. ESTABLISHMENT OF AN EL MALPAIS NATIONAL MONUMENT.

(a) ESTABLISHMENT.—In order to protect the unique and nationally important archeological, geological, scenic, scientific, ecological, cultural, and wilderness resources of the El Malpais lava flow and adjacent public lands, there is hereby established the El Malpais National Monument (hereinafter in this Act referred to as the "Monument").

(b) AREAS INCLUDED.—The Monument shall include those lands in New Mexico within the Albuquerque District of the Bureau of Land Management, which comprise approximately 373,000 acres, as generally depicted on a map entitled "El Malpais National Monument—Proposed", and dated May 1986. Such map shall be on file and available for public inspection in the Offices of the Bureau of Land Management, Department of the Interior.

#### SEC. 2. ADMINISTRATION.

(a) GENERAL AUTHORITIES.—The Secretary of the Interior (hereafter in this Act re-

ferred to as the "Secretary") shall manage the Monument as a separate unit within the boundary of the Albuquerque District of the Bureau of Land Management in accordance with this Act and in accordance with the laws pertaining to the public lands managed by the Bureau, including those pertaining to grazing on the public lands.

(b) **SPECIFIC AUTHORITIES.**—

(1) The Secretary shall manage the Monument in a manner that will protect the archeological, scenic, scientific, geologic, ecologic, cultural, and wilderness resources and values of the Monument, and to provide for public education about those resources and values.

(2) The Secretary shall provide for recreational use of the Monument and shall provide recreational and interpretive facilities for the use of the public which are compatible with the provisions of this Act. The Secretary may assist adjacent affected local governmental agencies in the development of related interpretative programs.

(3) The Secretary shall permit the full use of the Monument for scientific study and research, except that the Secretary may impose such restrictions as may be necessary to prevent degradation of the archeological, geological, scenic, scientific, ecological, cultural, and wilderness resources of the Monument.

(c) **WITHDRAWALS.**—Subject to valid existing rights, all Federal lands within the Monument, and all Federal lands and mineral rights acquired within the Monument, are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws, and from location, entry, and patent under the United States mining laws, and from disposition under all laws pertaining to mineral and geothermal leasing and all amendments thereto. Any activity carried out pursuant to valid existing mineral rights shall be conducted in accordance with applicable Federal and State law.

(d) **HUNTING.**—The Secretary shall permit hunting and trapping within the Monument in accordance with applicable Federal and State law. The Secretary may designate zones within the Monument where, and establish periods when, such activities will not be permitted for reasons of public safety, administration, the protection of resources, or public use and enjoyment. Except in emergencies, any regulations issued by the Secretary under this subsection shall be put into effect only after consultation with the appropriate State agencies responsible for hunting activities.

(e) **WOOD GATHERING.**—Collection of green or dead wood for sale or other commercial purposes shall not be permitted in the monument.

(f) **MANAGEMENT PLAN.**—Within 6 months after the date of enactment of this Act, the Secretary shall complete a management plan for the Monument, as part of the Secretary's responsibility for planning the uses of the public lands under section 202 of the Federal Land Management and Policy Act of 1976 (43 U.S.C. 1701 and following). Such plan shall include but not be limited to each of the following:

(1) Implementation plans for a continuing program of public education about the resources and values of the El Malpais area.

(2) Measures for the preservation of the natural, archeological, and cultural resources of the Monument. These measures shall include provision for adequate law enforcement to protect such resources.

(3) A schedule for the prompt completion of a detailed archeological and cultural re-

sources management plan. The Secretary shall provide for full public participation in the formulation of such plan. The archeological and cultural resources management plan shall meet each of the following requirements:

(A) The plan shall provide for the protection of significant cultural resources, including protection from vandalism and looting, as well as destruction from natural deterioration.

(B) The plan shall be based on adequate inventory of archeological sites, prepared in accordance with the Secretary's standards and guidelines for archeology and historic preservation and shall include provision for continuing inventory and recordation of archeological sites.

(C) The plan shall include a public interpretation program.

(D) The plan shall comply with all Federal and State historic and cultural preservation statutes, regulations, guidelines, and standards, including the Archeological Resources Protection Act of 1979 and the National Historic Preservation Act.

(E) The plan shall be prepared in close consultation with the Advisory Council on Historic Preservation, the New Mexico State Historic Preservation Office, and the Pueblo of Acoma and their traditional cultural and religious authorities.

(F) The plan shall provide for long-term scientific use of archeological resources in the Monument and within the wilderness areas designated in the Monument by this Act.

(g) **COOPERATIVE AGREEMENT.**—The Secretary shall take such steps as may be necessary to direct the National Park Service to enter into a cooperative agreement with the Bureau of Land Management to provide for the utilization of the expertise of the Park Service in cultural and archeological preservation and the management of cultural and archeological resources, for the purposes of developing a cultural resource management plan pursuant to subsection (c), for the effective implementation of that plan, and to insure close coordination with the Park Service's other efforts to protect and interpret Chacoan cultural sites in the Southwest.

**SEC. 3. AUTHORIZATION FOR A VISITOR CENTER.**

The Secretary is authorized to construct a visitor center in the Monument for the purposes of providing information through appropriate displays, printed material, and other interpretive programs, about the archeological, cultural, and natural resources of the Monument, and for the effective management of the cultural, archeological, and natural resources of the Monument.

**SEC. 4. AUTHORIZATION FOR APPROPRIATIONS.**

Effective for fiscal years beginning after September 30, 1986, there are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

**SEC. 5. ACQUISITION OF INHOLDINGS.**

The Secretary is authorized to acquire all lands and interests therein, including mineral rights, within the boundary of the Monument by donation, exchange, or purchase with donated or appropriated funds. In exercising this authority, the Secretary shall use existing exchange authority to the greatest extent practicable prior to purchase of any inholdings. Any purchase or exchange within the boundaries of the wilderness area designated by this Act shall require the consent of the owner of those lands or rights. The Secretary may add to the Monument any private or State lands adjacent to the Monument which the Secre-

tary acquires with the consent of the landowner.

**SEC. 6. TRADITIONAL NATIVE AMERICAN USES.**

In recognition of the past use of the Monument by Indian people for traditional cultural, and religious purposes, the Secretary shall insure nonexclusive access to Monument lands by Indian people for such traditional, cultural, and religious purposes, including the harvest of pine nuts. Such direction shall be consistent with the purpose and intent of the American Indian Religious Freedom Act of August 11, 1978 (42 U.S.C. 1996). As a part of the plan prepared pursuant to section 2(e)(3) of this Act, the Secretary shall, in consultation with appropriate Indian tribes and their traditional cultural and religious authorities, define the past cultural and religious uses of the Monument by Indians.

**SEC. 7. WILDERNESS.**

(a) **DESIGNATION.**—In furtherance of the purposes of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1131), certain lands within the boundary of the El Malpais National Monument, comprising approximately 179,000 acres, as generally depicted on a map entitled "El Malpais Wilderness—Proposed", dated May 1986, and which shall be known as the El Malpais Wilderness, are hereby designated as wilderness, and, therefore, as components of the National Wilderness Preservation System.

(b) **ADMINISTRATION.**—Subject to valid existing rights, each wilderness area designated under this section shall be administered by the Secretary in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act (or any similar reference) shall be deemed to be a reference to the date of enactment of this Act, and any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary of the Interior.

(c) **MAP AND DESIGNATION.**—As soon as is practicable after enactment of this Act, a map and a legal description of each wilderness area designated by this Act shall be filed by the Secretary with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and National Resources of the United States Senate. Each such map shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in each such legal descriptions and map may be made by the Secretary subsequent to such filings. Each such map and legal description shall be on file and available for public inspection in the Office of the Director of the Bureau of Land Management, Department of Interior.

(d) **GRAZING.**—Within the wilderness areas designated by this Act, the grazing of livestock, where established prior to the enactment of this Act, shall be permitted to continue subject to such reasonable regulations, policies, and practices as the Secretary deems necessary, as long as such regulations, policies, and practices fully conform with and implement the intent of Congress regarding grazing in such areas as such intent is expressed in the Wilderness Act and section 108 of Public Law 96-560 (16 U.S.C. 1133 note).

**SEC. 8 LAND EXCHANGE.**

(a) **EXCHANGE.**—The Secretary of the Interior shall exchange such public lands or interests in lands, as are of approximately equal value and selected by the State of



New Mexico, acting through its Commissioner of Public Lands, for any State lands or interests therein located within the boundaries of the monument.

(b) NOTICE.—Within 6 months after enactment of this Act, the Secretary of the Interior shall notify the New Mexico Commissioner of Public Lands what State lands or interests therein are within the monument designated by this Act. The notice shall include notice of the Secretary's duty to exchange public lands selected by the State for any State land contained within the boundaries of the monument areas. The notice shall contain a listing of all public lands within the boundaries of the State, which have not been withdrawn from entry and which the Secretary identifies as available to the State in exchange for State lands within the monument.

(c) DISAGREEMENTS REGARDING VALUE.—After the receipt of the list of available public lands, if the Commissioner of Public Lands gives notice to the Secretary of the State's selection of lands, the Secretary shall notify the State in writing as to whether the Department of the Interior considers the State and Federal lands to be of approximately equal value. In case of disagreement between the Secretary and the Commissioner as to relative value of the acquired and selected lands, the Secretary and the Commissioner shall agree on the appointment of a disinterested independent appraiser who will review valuation data presented by both parties and determine the amount of selected land which best represents appropriate equal value. Such determination will be binding on the Secretary and the Commissioner. The transfer to title lands or interests therein to the State of New Mexico shall be completed within 2 years after the enactment of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. HENDON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. SEIBERLING] will be recognized for 20 minutes and the gentleman from North Carolina [Mr. HENDON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. SEIBERLING].

Mr. SEIBERLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3684 would designate a national monument on lands near Grants, NM. The monument would include approximately 373,000 acres. This land would continue to be managed by the Bureau of Land Management, but with statutory recognition of its nationally important archeological and geologic significance and statutory direction to protect those values.

The lands proposed for designation as a national monument in H.R. 3684 have been long recognized as being of national importance. They are a textbook display of the volcanic forces that shaped much of the West, and the size and combination of the vol-

canic features here are truly spectacular and awe-inspiring. Those features include huge, complex lava flows; cinder cones; spatter cones; lava tubes, and lava caves.

They also contain an incredible wealth of archeological resources—literally thousands of sites, spanning thousands of years of prehistoric cultures that inhabited this area.

This area also contains an important wilderness resource. Within the monument is the largest single block of BLM public lands qualified for wilderness in New Mexico. This bill would designate 179,000 acres of that as part of the National Wilderness Preservation System.

Mr. Speaker, we held a field hearing in Grants, NM, last March. At that hearing, we heard what was, to my experience, an unprecedented degree of consensus in support of this legislation. The bill was strongly supported by Governor Anaya, by the State legislators from the area, by county and city officials, and by many local people. Our committee has used the input from that hearing, a hearing we had in Washington, and continued dialog with concerned parties to refine this bill, to clarify it, and to take into account the concerns of some local interests.

Before I yield the floor, Mr. Speaker, I want to commend our colleague, BILL RICHARDSON, who serves so ably on the Interior Committee, and who represents the area affected by this bill. BILL RICHARDSON introduced this legislation, and it was he who urged our subcommittee to visit the area and to move this legislation forward. I want to thank him for his initiative on this proposal, and would like to yield to him as much of my remaining time as he may consume.

□ 1245

Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, the El Malpais National Monument bill is extremely important to the people of my district and has the support of a broad coalition of local citizens, the local and State governments and national environmental organizations. The legislation is designed to protect a sensitive and unique environmental area in my district that contains some of the best examples of volcanic landscape in the continental United States and to stimulate tourism-related development in an area of New Mexico whose economy has been hard hit by the decline of our domestic mining industries.

My bill would designate a national monument on BLM lands and designate wilderness within that monument. The national monument designation will give this area the national status that its important resources de-

serve. It will help focus the BLM's efforts on protecting this area, as it has for the three national monuments currently managed by the U.S. Forest Service. It will help tremendously in promoting the public use and enjoyment of the area. Mr. Speaker, the House Appropriations Subcommittee on Interior has earmarked \$250,000 in the fiscal year 1987 appropriations bill to go toward the planning and development of interpretative center and visitor facilities in the El Malpais area.

Mr. Speaker, we have worked hard to ensure that the El Malpais National Monument bill is sensitive to the current land use needs of the area. We have modified the bill in response to constructive suggestions from the Bureau of Land Management—including the deletion of 12,000 acres from wilderness designation status. These changes delete several areas with ranching facilities and private lands, and removes one area of particular archeological significance to enable more intensive interpretative facilities. In addition, in response to the particular concerns of the Acoma Pueblo, I have deleted deeded lands belonging to the Pueblo from national monument status and included them in BLM's overall planning process. Further, existing livestock grazing is allowed to continue as well as hunting and trapping. Studies by the State of New Mexico and by the U.S. Geological Survey found no significant mineral resource potential in El Malpais.

Mr. Speaker, additional protections for archeological and cultural resources have been crafted into the bill and include suggestions made by New Mexico's Historic Preservation Office and suggestions from other cultural resource authorities. Improvements in the bill require a continuing inventory of cultural sites and provide for the continuing scientific use of archeological resources in the national monument and its wilderness areas.

Mr. Speaker, the El Malpais lava flow is truly deserving of national protection. Some of the most outstanding examples of volcanic landscapes in the world will receive permanent protection and the legislation will stimulate tourism-related development in an area of New Mexico that has been suffering the adverse effects of the decline of our domestic mining industries. Mr. Speaker, I would greatly appreciate the bipartisan support of my colleagues today for the El Malpais National Monument bill—legislation that is of extreme importance to the people of the Third Congressional District of New Mexico.

Mr. HENDON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to commend my friend, the gentleman from New Mexico [Mr. RICHARDSON]. He is a

great legislator. He has done a great job on this bill.

Mr. Speaker, H.R. 3684 is a bill to designate 373,000 acres in west-central New Mexico as the El Malpais National Monument. Contained within the monument will be 179,000 acres of wilderness.

It is my understanding that the Bureau of Land Management strongly opposes the bill. In particular, they object to the designation of the area as a national monument and they object to the amount of wilderness. They argue that the national monument designation is used primarily by the Park Service and should remain so. With regard to the wilderness, their draft EIS for the area recommends 145,000 acres, or approximately 34,000 acres less than the bill proposes. They have also stated a desire to avoid handling the BLM wilderness designations in a piecemeal fashion.

Despite these legitimate concerns, the bill was reported by the full Interior Committee by a voice vote. I believe the lack of opposition is based on the fact that there is strong local support for the bill from a variety of people. We are told that Grants, NM, where the area is located, is anxious to attract tourism as a means of diversifying their economic base. It is difficult to argue with such a goal. If calling the area a national monument will attract more visitors, the committee said, "Let's give it a try."

As a general rule, I believe we all agree that it is best to address the wilderness issue on a State-by-State basis. The process has worked for the Forest Service RARE II wilderness issue and I believe we will follow such a process for BLM. However, it does seem appropriate, if we are going to create the national monument, to move ahead on the core wilderness proposal to enable the agency to develop a meaningful management plan for the area.

Therefore, Mr. Speaker, I commend the subcommittee chairman, the gentleman from Ohio [Mr. SEIBERLING] for his fine work, and I urge my colleagues to support this bill.

Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. SEIBERLING. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio [Mr. SEIBERLING] that the House suspend the rules and pass the bill, H.R. 3684, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. SEIBERLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just concluded.

The SPEAKER pro tempore. (Mr. MONTGOMERY). Is there objection to the request of the gentleman from Ohio?

There was no objection.

#### ALASKA NATIVE CLAIMS SETTLEMENT ACT AMENDMENTS OF 1986

Mr. SEIBERLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4162) to amend the Alaska Native Claims Settlement Act to provide Alaska Natives with certain options for the continued ownership of lands and corporate shares received pursuant to the act and for other purposes, as amended.

The Clerk read as follows:

H.R. 4162

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Alaska Native Claims Settlement Act Amendments of 1986".*

*(b) Whenever, in this Act, an amendment is expressed in terms of an amendment to a section or provision, the reference shall be considered to be made to a section or provision of the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1601 et seq.).*

#### CONGRESSIONAL FINDINGS

SEC. 2. Congress finds and declares—

*(a) the Alaska Native Claims Settlement Act (ANCSA) was enacted to achieve a fair and just settlement of all claims by Natives and Native groups based upon aboriginal land claims in a manner consistent with the real economic and social needs of the Alaska Natives, including maximum participation by Native people in decisions which affect their rights and property;*

*(b) the corporate model adopted by ANCSA is frequently ill-adapted to the reality of life in many Alaska Native villages and to traditional Native cultural values;*

*(c) although Congress mandated that the settlement be implemented rapidly and without litigation, the complexity of the land conveyance process and frequent and costly litigation have delayed the implementation of the settlement and significantly diminished its value;*

*(d) providing Alaska Natives maximum participation in decisions affecting their rights and property necessitates that ANCSA be amended to—*

*(A) provide the stockholders of each Native Corporation an opportunity to implement the settlement in the manner which they determine is best suited to their particular circumstances and needs, including, but not limited to, an opportunity to decide the manner in which Alaska Natives born after December 18, 1971, should participate in the settlement and whether the business corporation is the most appropriate entity to hold legal title to lands conveyed in partial settlement of aboriginal claims; and*

*(B) continue restrictions on the transfer of stock of Native Corporations until such*

*time as the stockholders of a corporation may vote to terminate such restrictions; and*

*(e) both ANCSA, as amended, and this Act are Indian legislation enacted by Congress pursuant to its plenary authority under the Commerce Clause to regulate Indian affairs.*

#### NEW DEFINITIONS

SEC. 3. (a) Section 3 (43 U.S.C. 1602) is amended by adding the word "group" after the word "individual," in subsection (h); striking the word "and" at the end of subsection (k); and by striking the periods at the end of subsections (l) and (m) and inserting, in lieu thereof, semicolons.

(b) Section 3 is further amended by adding the following new subsections:

*"(n) 'Native common stock' means the stock of a Native Corporation issued pursuant to subsection (g) of section 7 which carries with it the rights and restrictions provided for in paragraph (1) of subsection 7(h); and*

*"(o) 'descendant of a Native' means a lineal descendant of a Native or of an individual who would have been a Native if he or she were alive on December 18, 1971, or an adoptee of a Native or descendant of a Native whose adoption is recognized at law or in equity."*

#### NEW STOCK ISSUANCE

SEC. 4. Subsection (g) of section 7 (43 U.S.C. 1606(g)) is amended to read as follows:

*"(g)(1) The Regional Corporation shall be authorized to issue such number of shares of Native common stock, divided into such classes of shares as may be specified in the articles of incorporation to reflect the provisions of this Act, as may be needed to issue one hundred shares of Native common stock to each Native enrolled in the region pursuant to section 5 of this Act.*

*"(2) Notwithstanding any other law, a Regional Corporation, if authorized by an amendment to its articles of incorporation, may issue up to one hundred shares of additional Native common stock to—*

*"(A) Natives born after December 18, 1971;*

*"(B) Natives who have attained the age of sixty-five; and*

*"(C) Natives who were eligible for enrollment pursuant to section 5, but who were not so enrolled;*

*for no consideration or for such consideration and upon such terms and conditions as may be specified in the articles of incorporation or by a resolution of the board of directors pursuant to authority expressly vested in it by the articles of incorporation.*

*"(3)(A) Notwithstanding any other provision of this Act and in addition to any other existing authority, any Regional Corporation, after the date of enactment of this paragraph, may amend its articles of incorporation to authorize the issuance of additional shares of stock as provided in this paragraph.*

*"(B) Such shares of stock may be—*

*"(i) divided into classes and series within classes, with preferences, limitations, and relative rights, including, without limitation, dividend rights, voting rights, liquidation preferences, and rights to share in distributions made to stockholders under subsections (j) and (m) of this section;*

*"(ii) subject to alienability restrictions not in excess of the restrictions provided for in paragraph (1) of subsection (h) of this section;*

*"(iii) restricted in issuance to—*

*"(a) Natives who have reached the age of sixty-five; or*



"(b) any other identifiable group of Natives, where such group is defined in terms of general applicability and, except as provided in subparagraph (H) of this paragraph, not in any way by reference to place of residence, family, or position as an officer, director, or employee of a Native Corporation, or stockholder of a Native Corporation other than the issuing Corporation; and

"(iv) issued as a dividend or other distribution upon outstanding shares of stock or for such consideration as may be permitted by law;

as may be provided in the articles of incorporation or an amendment thereto.

"(C) Any amendment to the articles of incorporation of a Regional Corporation which permits the issuance of classes or series of stock other than Native common stock shall specify the maximum number of shares of any such class or series and the maximum number of votes that may be held by shares of such class or series.

"(D) During any period in which the restrictions on alienation of Native common stock imposed by paragraph (1) of section 7(h) are in effect, no stock may be issued under this paragraph to a group of individuals composed only of employees, officers or directors of the Regional Corporation.

"(E) If any amendment to the articles of incorporation permits the issuance of classes or series of stock which, when issued, singly or in combination, may cause the outstanding shares of Native common stock to represent less than a majority of the voting power of all stock in the Regional Corporation, the stockholders of such corporation shall be expressly so advised in the proxy statement or other informational material distributed in advance of their vote upon the amendment.

"(F) In no event may shares of stock other than Native common stock be issued more than thirteen months after the date of the stockholder vote authorizing the issuance of such stock if, as a result of the issuance of such stock, the outstanding shares of Native common stock will represent less than a majority of the voting power of all stock in the Regional Corporation. The restriction of this subparagraph shall be of no further force and effect if shares of stock previously have been lawfully issued pursuant to this paragraph which have caused the shares of the Native common stock to represent less than a majority of the voting power of all stock in the Regional Corporation or if the restrictions upon alienation of Native common stock provided for in paragraph (1) of section 7(h) have expired under section 7a or have been terminated under section 7(h) by vote of the stockholders.

"(G) Notwithstanding the issuance of additional shares of Native common stock or new classes or series of stock pursuant to this paragraph, the Regional Corporation shall continue to apply the ratio last computed under subsection (m) of this section before the date of enactment of this paragraph for purposes of distributing funds under subsections (j) and (m) of this section.

"(H) If shares of different classes or series have been issued pursuant to this paragraph to nonvillage stockholders as described in subsection (m), distributions payable under subsections (j) and (m) of this section shall be made with respect to such classes or series in accordance with the rights, if any, of each class or of incorporation or an amendment thereto and, if so provided, the series to share in such distributions as provided in the articles right to share in such

distributions may be established as a right or other security separate from any other shares issued to such nonvillage stockholders.

"(I) Common stock issued pursuant to this subsection which carries the same rights and restrictions provided for in section 7(h) or which is issued in substitution for Native common stock shall be deemed to be Native common stock as long as all such rights and restrictions are in effect with respect thereto.

"(4) The issuance of additional shares of Native common stock or other stock pursuant to paragraphs (2) and (3) of this subsection shall have no effect on the division and distribution of revenues pursuant to subsection (i) of this section."

#### NATIVE COMMON STOCK: RIGHTS: ALIENATION RESTRICTIONS

SEC. 5. Subsection (h) of section 7 (43 U.S.C. 1606(h)) is amended to read as follows:

"(h)(1)(A) Except as otherwise provided in this paragraph and in paragraphs (3) and (4) of this subsection, Native common stock of a Regional Corporation issued pursuant to subsection (g) of this section shall—

"(i) carry a right to vote in elections for the board of directors and on such other questions as properly may be presented to stockholders;

"(ii) permit the holder to receive dividends or other distributions from the Regional Corporation; and

"(iii) vest in the holder all rights of a stockholder in a business corporation organized under the laws of the State of Alaska.

"(B) Until the termination of such restrictions by the stockholders under paragraph (2) of this subsection or pursuant to section 7a, Native common stock, inchoate rights thereto, and any dividends paid or distributions made with respect thereto, may not be—

"(i) sold;

"(ii) pledged;

"(iii) subject to a lien or judgment execution;

"(iv) assigned in present or future;

"(v) treated as an asset in a bankruptcy estate; or

"(vi) otherwise alienated.

"(C) The limitation contained in subparagraph (B) of this paragraph shall not apply to transfers of Native common stock if such transfers are made to Natives or descendants of Natives pursuant to a court decree of separation, divorce or child support or by a stockholder who is a member of a professional organization, association, or board which limits the ability of that stockholder to practice his or her profession because of holding stock issued under this section.

"(D) Except as provided in section 7a, the restrictions on alienation of Native common stock provided in this paragraph shall remain in effect until such time as the stockholders of a Regional Corporation vote to terminate such restrictions as provided in paragraph (2) of this subsection.

"(2)(A) Except as provided in subparagraph (F) of this paragraph, a Regional Corporation may terminate the restrictions on alienation imposed on its Native common stock by paragraph (1) of this subsection as provided in this paragraph.

"(B) At any time after the date of enactment of this paragraph, a resolution to terminate such restrictions may be adopted by the board of directors on its own motion or pursuant to a stockholders' petition as provided in paragraph (6)(D) of this subsection. A resolution of the board of directors of a

Regional Corporation to terminate such restrictions shall be submitted to a vote of the stockholders in accordance with the procedures set forth in paragraph (6) of this subsection.

"(C) A resolution to terminate restrictions adopted pursuant to this paragraph shall make provision for the time of termination, either by the establishment of the date certain or the description of a specific event upon which the restrictions shall terminate.

"(D) The approval of a resolution under this paragraph shall be considered to be an amendment to the articles of incorporation of the Regional Corporation for the purposes of paragraph (6) of this subsection. On the date of termination as established in such resolution, all Native common stock previously issued shall be deemed canceled and shares of stock of the appropriate class shall be issued to each holder of Native common stock, share for share, subject only to such restrictions as may be provided in an amendment to the articles of incorporation adopted pursuant to paragraph (7) of this subsection or in agreements between the corporation and the individual stockholders.

"(E) The rejection of a resolution adopted pursuant to this paragraph by the stockholders of a Regional Corporation shall not preclude votes on subsequent resolutions adopted and submitted to a vote pursuant to this paragraph.

"(F) Notwithstanding the provisions of this paragraph, if the board of directors of the Bristol Bay Native Corporation or any Village Corporation in the Bristol Bay region adopts, within one year of the date of enactment of this paragraph, a resolution electing to follow the procedures set forth in section 7a of this Act, the provisions of this paragraph shall not be applicable to such corporation.

"(3)(A) Upon the death of any holder of Native common stock, ownership of such stock shall be transferred in accordance with the last will and testament of such holder or under applicable laws of intestate succession, except that, in the event the deceased stockholder fails to dispose of all of his or her Native common stock by will and if such stockholder has no heirs under applicable laws of intestacy who are Natives or descendants of Natives, such Native common stock shall escheat to the appropriate Regional Corporation.

"(B) In the event that stock would be transferred by devise or inheritance to a person not a Native or a descendant of a Native, the Regional Corporation shall have the right to purchase such stock for its fair market value.

"(4)(A) Notwithstanding the restrictions on alienation imposed by paragraph (1) of this subsection, any Regional Corporation is hereby authorized to amend its articles of incorporation to permit it to purchase and, for that purpose, its stockholders to sell, any or all of its Native common stock then issued and outstanding.

"(B) Payment for such stock shall be made out of—

"(i) unreserved or unrestricted earned surplus of the corporation; or

"(ii) net profits for the fiscal year in which the purchase is being made and for the preceding fiscal year, except when the corporation is unable to pay its debts as they become due in the usual course of business.

"(C) For the purpose of this paragraph, net profits derived from the exploitation or liquidation of timber resources or subsurface estate may be determined without con-

sideration of depletion of those assets resulting from lapse of time, consumption, liquidation, or exploitation.

"(D) Shares of stock purchased pursuant to this paragraph shall become nonvoting treasury stock or may be canceled by the Regional Corporation in accordance with law.

"(E) In the case of each purchase of Native common stock pursuant to this paragraph, the board of directors shall determine a price at which such purchase will be made. Such price, if determined in good faith, shall conclusively be presumed to be fair. In determining such price, the board of directors, at its option, may exclude from such determination the value of the land or any interest therein received by the Regional Corporation pursuant to this Act which is committed by the corporation to Native traditional or cultural uses or is of speculative or unknown value on the date such determination is made.

"(F) With respect to any purchase under this paragraph, all holders of such Regional Corporation's Native common stock shall be given a fair opportunity to participate in any offer by the corporation to purchase shares of its Native common stock on the same basis as is made available to any holder of such stock.

"(5) Native common stock transferred through inheritance to a person who is not a Native shall not carry voting rights. The lapse of the right to vote in a holder of Native common stock upon a transfer by inheritance or otherwise may be restored by the adoption of an amendment to the articles of incorporation, but only if such shares of stock are held by a Native or a descendant of a Native.

"(6)(A) Notwithstanding any provision of Alaska law, other than those which relate to proxy statements or solicitations which are not inconsistent with this paragraph, and except as provided in section 7a of this Act—

"(i) any amendment to the articles of incorporation of a Regional Corporation authorized by this subsection or subsection (g) of this section;

"(ii) a transfer of assets made pursuant to section 7b;

"(iii) a resolution described in paragraph 2(C) of this subsection; or

"(iv) a resolution described in paragraph (B) of this paragraph;

shall be approved as provided in this paragraph.

"(B) The board of directors shall adopt a resolution setting forth the proposal and directing that it be submitted to a vote at the annual, or a special, meeting of the stockholders. One or more such amendments or resolutions may be submitted to the stockholders and voted upon at one meeting.

"(C) A written or printed notice, setting forth the proposal or summary of the changes to be effected, or the proxy statement and related proxy material if required under applicable law, shall be delivered by hand or sent by first class mail to each stockholder of record entitled to vote not less than fifty nor more than sixty days before the date of the meeting at the address of such stockholder as it appears on the records of the corporation.

"(D) With respect to any amendment or resolution described in subparagraph (A) of this paragraph, if the holders of at least 15 per centum or, in the case of an amendment to terminate restrictions on the alienability of Native common stock, one-third of the outstanding shares of Native common stock entitled to be voted petition the board of directors to adopt and submit such amend-

ment or resolution to the vote of the stockholders, the board of directors shall adopt a resolution to that effect and submit it to the stockholders as provided in this paragraph. The procedural and disclosure requirements pertaining to the solicitation of proxies under State law shall govern solicitation of signatures on any such petition. If the petition meets the aforementioned standards and if—

"(i) the board of directors agrees with such petition, it shall submit the resolution and either the proponent's statement or its own statement in support of the resolution to the stockholders for a vote; or

"(ii) the board of directors disagrees with the petition for any reason, it shall submit the resolution and the proponent's statement to the stockholders and may, at its discretion, submit an opposing statement and/or an alternative resolution.

"(E)(i) An amendment to the articles of incorporation that would have the effect of removing the restrictions on alienation of Native common stock provided in paragraph (1) of this subsection shall be approved if such amendment receives the affirmative vote of at least a majority of the outstanding shares of Native common stock entitled to vote on such amendment.

"(ii) Any other amendment or resolution described in subparagraph (A) of this paragraph shall be approved—

"(a) if voted upon by at least 51 per centum of the votes represented by the capital stock of the Regional Corporation entitled to be voted on such amendment or resolution; and

"(b) if such amendment or resolution receives the affirmative vote of at least a majority of all votes cast,

subject to the right of the board of directors of the Regional Corporation to provide a quorum or vote requirement greater than subclause (a) or (b) of this clause, or both, and to the right of the Regional Corporation in its articles of incorporation to provide a vote by classes of stock for all or any of such actions.

"(F) If the result of a stockholder vote under this paragraph is the continuation of the restrictions against alienation of Native common stock, a stockholder who voted in favor of termination of the restriction may demand and receive payment from the corporation for all of his or her shares, but only if, contemporaneously with such vote, the stockholders approve a resolution providing for such right. The procedure established by Alaska law for the exercise of the right of a dissenting stockholder shall be followed, if such right is made available pursuant to this subparagraph.

"(G) A resolution adopted pursuant to subparagraph (F) of this paragraph may provide that Native common stock shall be valued on the basis set forth in section 7a(f)(2) or that the form of payment to dissenting stockholders shall be as provided in section 7a(f)(3).

"(7) Notwithstanding a stockholder vote to terminate restrictions on alienation of Native common stock under paragraph (2) of this subsection or the expiration of such restrictions pursuant to section 7a, a Regional Corporation, prior to the effective date of such termination, may amend its articles of incorporation to impose any restrictions upon the replacement common stock issued pursuant to paragraph 2(D) of this subsection permitted under applicable law as well as restrictions providing for—

"(A) the denial of voting rights to any holder of such replacement common stock

who is not a Native or descendant of a Native; and

"(B) the granting to the corporation, or to the corporation and the stockholder's immediate family, on reasonable terms, the first right to purchase a stockholder's replacement common stock prior to the sale or transfer of such stock, other than a transfer by inheritance, to any other party, including a transfer in satisfaction of a lien, writ of attachment, judgment execution, pledge, or other encumbrance."

#### BRISTOL BAY REGION: SPECIAL PROVISIONS

SEC. 6. The Alaska Native Claims Settlement Act is further amended by adding a new section as follows:

"Sec. 7a. (a) If the Bristol Bay Native Corporation or any Village Corporation located in the Bristol Bay region adopts a resolution as provided in paragraph (2)(F) of subsection 7(h), such corporation may extend the restrictions on alienation of Native common stock as provided in this section.

"(b)(1) Within two years after the election under paragraph (2)(F) of section 7(h) and, if the quorum requirement specified in subsection (e) of this section is not satisfied, annually thereafter, the board of directors of such corporation shall adopt, and submit to a vote of its stockholders, a resolution to amend its articles of incorporation to extend the restrictions on alienation of its Native common stock.

"(2) Such resolution shall provide for an extension of the restrictions for a period of not less than twenty nor more than fifty years.

"(3) If a resolution under paragraph (1) of this subsection is adopted, such corporation may, prior to the expiration of the period of extension or any successor extension period, further extend the restrictions under the provisions of this section.

"(c)(1) If any vote conducted pursuant to subsection (b) of this section is ineffective because of a continuing or repeated lack of quorum as provided in subsection (e) of this section or if the holders of Native common stock defeat a resolution to continue restrictions on alienation, the board of directors shall adopt, and submit to the vote of the stockholders, a resolution which establishes the date or describes the specific event upon which the restrictions shall terminate.

"(2) If no such resolution is voted upon and approved, the restrictions shall terminate one year from either the date of the vote disapproving the resolution to extend such restrictions or the last date on which a lack of a quorum existed, as the case may be, or on December 18, 1991, whichever date later occurs.

"(3) On the date of termination of such restrictions, all Native common stock of such corporation previously issued shall be deemed canceled and shares of stock of the appropriate class shall be issued to each stockholder, share for share, subject only to such restrictions as may be provided by the articles of incorporation, including any amendment thereto adopted pursuant to section 7(h)(7), or in agreements between the corporation and individual stockholders.

"(d)(1) Notwithstanding any provision of Alaska law, except those relating to stockholders' rights of petition and to proxy statements and solicitations which are not inconsistent with the provisions of this section—

"(A) any amendment to the articles of incorporation of a corporation authorized by this section or subsections 7(g) and 7(h) (4), (5), and (7) of this Act;



"(B) a transfer of assets made pursuant to section 7b;

"(C) a resolution described in subsection (c) of this section; or

"(D) a resolution described in subsection (f)(2) of this section;

shall be approved as provided in this subsection.

"(2) The board of directors shall adopt a resolution setting forth the proposal and directing that it be submitted to a vote at the annual, or a special, meeting of the stockholders. One or more such amendments or resolutions may be submitted to the stockholders and voted upon at one meeting.

"(3) A written or printed notice setting forth the proposal or a summary of the changes to be effected shall be given to each stockholder of record entitled to vote not less than fifty nor more than sixty days before the date of the meeting, either personally or by mail.

"(e)(1) In order for a resolution to be approved under this section, the proposal must be voted upon by at least 51 per centum of the outstanding shares of Native common stock entitled to be voted and must receive the affirmative vote of at least 50 per centum plus one of the shares voted.

"(2) Notwithstanding paragraph (1) of this subsection, the stockholders may require a minimum vote of more than 51 per centum of the outstanding shares of Native common stock entitled to be voted or an affirmative vote greater than 50 per centum of the shares voted, or both, to approve any such proposal.

"(f)(1) If the result of a stockholder vote under this section is the extension of restrictions against alienation or a transfer of assets pursuant to section 7b, a stockholder who voted against the extension or transfer may demand and receive from the corporation the fair market value of his or her shares. Unless longer periods of time are authorized in the bylaws of the corporation, the procedure established by Alaska law for the exercise of the right of a dissenting stockholder to demand and receive payment for his or her shares in certain cases shall be followed to the extent such right is made available pursuant to this subsection.

"(2) The stockholders of the corporation may adopt a resolution, concurrent with the vote authorized under subsection (a) of this section, which provides that, in the event dissenters' rights are exercised—

"(A) the Native common stock shall be valued as restricted stock, having the same restrictions for the same period made applicable to the stock by the vote; and/or

"(B) the value of the land or any interest therein received by the corporation pursuant to this Act which—

"(i) is committed by the corporation to Native traditional or cultural uses; and/or

"(ii) is of speculative or unknown value on the date such resolution is adopted; shall be excluded by the stockholder, the corporation and any court in the determination of the fair market value of the shares of Native common stock to be purchased from such stockholder by the corporation; and/or

"(C) payments to each dissenting stockholder shall be made by the corporation through the issuance to such stockholder of a nonnegotiable note in the principal amount of the payment due, which note shall be secured either by—

"(i) a payment bond issued by an insurance company or financial institution;

"(ii) the deposit in escrow of securities or property having a fair market value equal to at least 125 per centum of the face amount of the note; or

"(iii) a lien upon the real property interests of the corporation valued at 125 per centum or more of the face amount of the note, other than lands or interests therein which are committed to Native traditional or cultural uses and the percentage interest in its timber resources and subsurface estate that would result in the recognition of 'Gross Section 7(i) Revenues' within the meaning of, and pursuant to, article II, section 1(d) of the 7(i) agreement cited in subsection (f)(2) of section 7b of this Act.

"(3) Any note issued pursuant to this subsection shall provide that—

"(A) interest shall be paid semi-annually, beginning as of the date the corporation elected to extend stock restrictions on Native common stock or transfer assets pursuant to section 7b of this Act, at the rate applicable on such date to obligations of the United States having a maturity date of one year; and

"(B) the principal amount and any undistributed interest shall be payable to the former stockholder or his or her heirs or devisees—

"(i) at any time, at the option of the corporation; or

"(ii) if not so called, on December 18, 1991, or, if the restrictions on Native common stock otherwise would have expired on a later date, on such date or five years after the date of election, whichever comes first, or, if the transfer of assets occurs after December 18, 1991, then five years after the date of such transfer."

#### TRANSFER OF ASSETS: QUALIFIED TRANSFeree ENTITY

SEC. 7. The Alaska Native Claims Settlement Act is further amended by adding the following new section:

"Sec. 7b. (a) Any Native Corporation or the stockholders of a Native Corporation which has been dissolved involuntarily under applicable law is hereby authorized to convey any or all of its assets, including the title to the surface or subsurface of land, to a qualified transferee entity as provided in this section. In cases where a Native Corporation has been involuntarily dissolved under State law, a State court of appropriate jurisdiction, upon petition of no less than twenty-five of the former stockholders of such corporation, may order the transfer of real property assets and such other assets remaining after satisfaction of outstanding debts upon an affirmative vote of individuals who were shareholders in the dissolved corporation on a resolution as provided in section 7(h)(6) or 7(c) without requiring that the resolution be adopted by the Board of Directors.

"(b) The conveyance of such assets shall be as provided in a resolution, including a provision for the payment of consideration or no consideration as desired, adopted by the board of directors of such corporation and submitted to a vote of its shareholders as provided in section 7(h)(6) or section 7a of this Act, as the case may be.

"(c) An entity shall be qualified to accept a transfer of assets conveyed pursuant to this section if it—

"(1) is organized pursuant to, or recognized by, State or Federal law;

"(2) has a membership composed of persons whose interest in the entity is non-transferable;

"(3) provides membership for every person who holds Native common stock in the corporation making the transfer of assets on the day before the date of such transfer; and

"(4) except as provided in paragraph (3), accepts as new members only Natives or descendants of Natives.

"(d) Notwithstanding any provision of State or Federal law, a qualified transferee entity is authorized to—

"(1) by a vote of its members;

"(A) limit its membership to Natives or descendants of Natives; and

"(B) admit to membership non-Natives only for the purpose of complying with paragraph (3) of subsection (c) of this section;

"(2) distribute cash and other assets to its members, except that such entity shall not convey fee title to land or interests therein unless authorized or required by section 14(c) or 21(j) of this Act; and

"(3) exchange lands or interests therein pursuant to the provisions of section 22(f) of this Act and section 1302(h) of the Alaska National Interest Lands Conservation Act.

"(e) The provisions of subsections (d) and (e) of section 21 of this Act shall continue to apply to any lands or interests therein conveyed by a Native Corporation to a qualified transferee entity pursuant to this section.

"(f)(1) Any revenues subject to distribution under section 7(i) of this Act derived from assets conveyed pursuant to this section shall remain subject to 7(i) to the same extent such revenues would have been subject if the conveyance had not occurred.

"(2) A Regional Corporation shall not convey assets subject to section 7(i) to more than one qualified transferee entity. Prior to receiving a conveyance of an asset subject to section 7(i), a qualified transferee entity shall agree in writing—

"(A) to be bound by the provisions of the agreement dated June 29, 1982, among and between the parties to Aleut Corporation et al. against Arctic Slope Regional Corporation (Civ. Act. A75-53 D. Ak.); and

"(B) to waive its sovereign immunity, if any, with respect to claims arising under section 7(i) or this section.

"(3) The Regional Corporation or, in the case of its dissolution, another single entity designated by its stockholders or the United States district court, as appropriate, shall be responsible for administering the provisions of section 7(i) and the June 29, 1982, agreement with respect to assets subject to section 7(i) conveyed by such corporation pursuant to this section.

"(4) After the conveyance of an asset subject to section 7(i) by a Regional Corporation, such asset shall be security for the payment of such corporation or its successor entity of all revenues which the corporation is obligated to distribute to other Regional Corporations pursuant to section 7(i).

"(g)(1) If a resolution conveying assets is approved by a stockholder vote pursuant to subsection (b) of this section, any stockholder who voted against the resolution may demand and receive payment from the corporation for all of his or her shares, but only if, concurrent with such vote, the stockholders of the Native Corporation adopt a resolution expressly providing for such right.

"(2) The procedure established by Alaska law for the exercise of the right of a dissenting stockholder to demand and receive payment for his or her shares in certain cases shall be followed if such right is made available pursuant to this subsection.

"(3) For the purpose of this section, a resolution establishing dissenters' rights may provide that the Native common stock shall be valued on the basis set forth in section 7a(f)(2) and that the form of payment to dissenting stockholders shall be as provided in section 7a(f)(3)."

## DISCLAIMER: TRIBAL GOVERNMENT

SEC. 8. The Alaska Native Claims Settlement Act is further amended by adding a new section as follows:

"SEC. 7c. No provision of the Alaska Native Claims Settlement Act Amendments of 1986 shall be construed as enlarging or diminishing or in any way affecting the scope of governmental powers, if any, of an Alaska Native village entity, including entities organized under the Act of June 18, 1934 (48 Stat. 987), as amended or Traditional Councils."

SEC. 9. The Alaska Native Claims Settlement Act is further amended by adding a new section as follows:

"SEC. 7d. The Aleut Corporation, Cook Inlet Region, Inc., and Koniag, Inc., and any Village Corporation within the Aleut and Cook Inlet regions may, by a vote of its board of directors within one year after the effective date of this section, elect to comply with the provision of section 7a with respect to a stockholder vote on the question of whether to continue restrictions on alienation of Native common stock imposed by paragraph (1) of section 7(h) beyond December 18, 1991."

## VILLAGE AND URBAN CORPORATIONS: NATIVE GROUPS

SEC. 10. Subsection (c) of section 8 (43 U.S.C. 1607(c)) is amended to read as follows:

"(c)(1) The provisions of subsections (g), (h), and (i) of section 7 and of section 7a of this Act relating to Regional Corporations shall apply in all respects to Village Corporations, Urban Corporations and Native groups, except that—

"(A) audits need not be transmitted to the Committee on Interior and Insular Affairs of the House of Representatives or to the Committee on Energy and Natural Resources of the Senate; and

"(B) subject to the provisions of paragraph (2) of this subsection and section 7a, restrictions on the alienation of Native common stock of such corporations, inchoate rights thereto, and any dividends paid or distributions made with respect thereto shall continue after December 18, 1991."

"(2) The restrictions on alienation of Native common stock of Village Corporations, Urban Corporations and incorporated Native groups may be terminated or extended by the adoption of an amendment to their articles of incorporation to such effect pursuant to the provisions of paragraphs (2) and (6) of subsection 7(h) or of section 7a, as the case may be, except that—

"(A) with respect to action under section 7(h), only one such vote may be held prior to December 18, 1991 and only once annually thereafter; and

"(B) with respect to action under section 7a, votes shall be held as provided in subsection (b)(1) of section 7a."

## CONSTITUTIONALITY: UNITED STATES JURISDICTION

SEC. 11. Section 10 (43 U.S.C. 1609) is amended by adding the following new subsection:

"(c)(1) The United States District Court for the District of Alaska is vested with exclusive original jurisdiction over any action challenging the constitutionality of any provision of the Alaska Native Claims Settlement Act Amendments of 1986. Such action shall be heard and determined by a court of three judges as provided in section 2284 of title 28, United States Code, with a direct appeal from any final judgment to the United States Supreme Court.

"(2) It being the express intention and direction of Congress that in no circum-

stances shall enactment of this Act result in any liability to the United States, the court shall not enter a money judgment against the United States in fashioning appropriate relief upon a determination that any of such sections violates the Fifth Amendment to the United States Constitution."

## SUBSURFACE CONVEYANCE TO VILLAGE ENTITY

SEC. 12. Section 14 (43 U.S.C. 1613) is amended by adding the following new subsection:

"(i)(1) A Regional Corporation may convey any subsurface estate owned by such corporation to a village entity which acquired or currently owns the surface estate pursuant to this Act.

"(2) Notwithstanding any conveyance pursuant to paragraph (1) of this subsection, the Regional Corporation shall continue to receive the thirty percent of the revenues from any development of the subsurface estate it would have retained had there been no such conveyance and the remaining seventy percent of such revenues shall be distributed in accordance with section 7(i).

"(3) Any conveyance under this subsection shall be subject to the provisions of section 7b as if the village entity were a qualified transferee entity. The document or documents effecting such conveyance shall be recorded by the Regional Corporation, together with copies of section 7b and this subsection, in the land records of the appropriate recording district.

"(4) The village entity to which any subsurface estate is conveyed pursuant to this subsection may not convey or otherwise transfer all or any part of such subsurface estate to any other entity without the express consent to the transfer Regional Corporation."

## REAL PROPERTY INTERESTS: IMMUNITIES

SEC. 13. Paragraph (1) of subsection 21(d) (43 U.S.C. 1620(d)(1)) is amended to read as follows:

"(1)(A) All land and interests therein conveyed pursuant to this Act, to any Native individual, Native group, Village or Regional Corporation, or a corporation established pursuant to section 14(h)(3) of this Act shall be, so long as such land and interests therein are not developed or leased to third parties or are used solely for purposes of exploration, entitled from the date of their conveyance to immunity from—

"(i) adverse possession and similar claims based upon legal theories of estoppel;

"(ii) real property taxes by any governmental entity;

"(iii) judgment resulting from any claim based upon or arising under title 11 of the United States Code relating to bankruptcy (or any successor statute), other insolvency or moratorium laws, or other laws affecting creditors' rights generally;

"(iv) unless such immunity is waived by the corporation in a valid and binding contract executed prior to the commencement of such proceedings, judgment in any action at law or equity to recover sums owed or penalties incurred by any Native Corporation or Native group or any officer, director, or stockholder of any such corporation or group; and

"(v) involuntary distribution or conveyance related to the involuntary dissolution of the Native Corporation.

"(B) For the purposes of this paragraph, lands shall not be considered to be developed solely as a result of construction, installation, or placement upon such land of any structure, fixture, device, or other improvement intended to enable, assist, or otherwise further the subsistence or other customary or traditional uses of such land.

"(C) Immunities provided for in this paragraph shall be in addition to those immunities or other benefits to which such lands or interests therein may be entitled under the Alaska National Interest Lands Conservation Act, but shall not apply to any judgment in any action at law or equity or to any arbitration award arising out of any claim regarding revenue sharing under section 7(i) of this Act.

"(D) Land to which this paragraph applies and lands conveyed pursuant to section 7b of this Act shall be subject to condemnation for public purposes in accordance with the provisions of applicable State law.

"(E) Except as provided in section 14(c)(3), no trustee, receiver or custodian vested under applicable Federal or State law with any right, title or interest of any Native Corporation or Native group may assign or lease to a third party any land subject to this paragraph which has not theretofore been developed or leased, or commerce development or use of the land other than for purposes of exploration, and such trustee, receiver, or custodian may not convey any right, title, or interest in land and interests therein protected under this paragraph to any third party, except pursuant to a judgment or arbitral award regarding revenue sharing under section 7(i)."

## CONFORMING AMENDMENT: SECTION 21

SEC. 14. Subsection (f) of section 21 (43 U.S.C. 1620(f)) is amended by striking the phrase "Until January 1, 1992" and inserting, in lieu thereof, the phrase "Until such time as the limitations upon alienation of Native common stock have been removed pursuant to section 7(h)(2) or have expired pursuant to section 7a of this Act".

## SEVERABILITY CLAUSE

SEC. 15. Section 27 (85 Stat. 688) is amended to read as follows:

"SEC. 27. The provisions of this Act, as amended, are severable and, if any provision of the Act is determined by a court of competent jurisdiction to be invalid, such invalidity shall not affect any other provision."

## CORPORATIONS EXEMPT FROM SECURITIES LAWS

SEC. 16. Section 28 (43 U.S.C. 1625) is amended to read as follows:

"SEC. 28. (a)(1) Any corporation organized pursuant to this Act shall be exempt from the provisions of the Investment Company Act of 1940 (54 Stat. 789), the Securities Act of 1933 (48 Stat. 74), and the Securities Exchange Act of 1934 (48 Stat. 881), as amended, through the earlier of the date after—

"(A) the date on which the corporation issues any shares of stock which will not be issued solely to Natives or descendants of Natives or to entities established for the sole benefit of Natives or descendants of Natives; or

"(B) the date on which the corporation removes the limitations on alienation of Native common stock as provided for in section 7(h)(2) or the date on which such restrictions terminate under section 7a of this Act.

"(2) Nothing in this section shall be construed to mean that any such corporation shall or shall not, after such date, be subject to the provisions of such Acts.

"(b)(1) Any such corporation which, but for this section, would be subject to the provisions of the Securities Exchange Act of 1934 shall transmit to its stockholders each year a report containing substantially all the information required to be included in an annual report to stockholders by a corpo-



ration which is subject to the provisions of such Act.

"(2) For the purposes of determining the applicability of the registration requirements of the Securities Exchange Act of 1934 after the date determined pursuant to subsection (a) of this section, holders of Native common stock shall be excluded from the calculation of the number of shareholders of record pursuant to section 12(g) of that Act.

"(c) The provisions of the Investment Company Act of 1940 shall not, in any event, apply to any corporation organized pursuant to this Act prior to January 1, 2001."

#### FEDERAL PROGRAMS: MINORITY CORPORATION

SEC. 17. Section 29 (43 U.S.C. 1626) is amended by adding the following new subsection:

"(c) In determining the eligibility of any household or individual Native or descendant of a Native to participate in the Food Stamp program receive assistance under the Social Security Act of financial assistance or benefits available under any other Federal or federally assisted program otherwise available to the Native people of Alaska as citizens of the United States and of the State of Alaska, any compensation, remuneration, revenue, stock, land, or other benefits received by any individual, any household or any member of such household under this Act, including land received from such individual's Native Corporation or Native group organized under this Act, shall be disregarded and shall not be considered as a resource or otherwise utilized as a basis for making such determination.

"(d) Until such time as less than 50 percent of the voting power of a Native Corporation is represented by shares of outstanding Native common stock or any other securities of such corporation held by Natives or descendants of Natives entitled to vote, such Native Corporation for all purposes of Federal law shall be considered a corporation owned and controlled by Alaska Natives."

#### CONFORMING AMENDMENT: SECTION 30

SEC. 18. Subsection (b) of section 30 (43 U.S.C. 1627(b)) is amended by striking the phrase "prior to December 19, 1991" and inserting, in lieu thereof, the phrase "while the Native common stock of all corporations subject to merger or consolidation remain subject to restraints on alienation".

The SPEAKER pro tempore. Is a second demanded?

Mr. YOUNG of Alaska. Mr. Speaker, I demand a second.

The SPEAKER pro tempore (Mr. MONTGOMERY). Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Arizona [Mr. UDALL] will be recognized for 20 minutes and the gentleman from Alaska [Mr. YOUNG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to bring this bill to the House for its consideration and passage. H.R. 4162 makes some extremely important amendments to the Alaska Native Claims Settlement Act.

I am one of the few members of the Interior Committee who was on the

committee when we passed this historic legislation in 1971. I remember the sense of satisfaction and the great hopes and expectations we had at that time for the success and future of the Alaska Natives under ANCSA. ANCSA represented an innovative, experimental approach by Congress to the settlement of Native claims and the treatment of Native people.

Today, 15 years after enactment, it is clear that ANCSA has not fully met our hopes and expectations. It is apparent that it did not wholly satisfy the real economic, social, and cultural needs of the Native people. Almost all who are affected by the act agree that major modifications are in order. H.R. 4162 provides those changes.

In settling the longstanding land claims of Alaska Natives, ANCSA provided for the conveyance of nearly 44 million acres of land and the payment of nearly \$1 billion to the Natives.

To provide a framework for the administration of the settlement, ANCSA required the Alaska Natives to create a series of regional and village profit corporations. Alaska Natives of at least one-quarter Native blood who were alive on December 18, 1971, were enrolled in these regions and villages and issued stock in the corporations.

H.R. 4162 makes three basic changes in ANCSA in order to protect Native lands and Native interests.

Under ANCSA, stock owned by a Native cannot be sold or otherwise alienated until December 18, 1991. After that date, the stock will be freely alienable with the distinct possibility that Natives will lose control of their corporations and lands. The bill amends ANCSA to indefinitely extend the period of alienability with the Natives having the right to terminate the restrictions. An alternative approach is made available which retains the 1991 date, but permits the Natives to extend the period of inalienability.

Second, the bill amends ANCSA to permit the Native corporations to issue new stock to Natives who were born after the 1971 date. Under existing law, young Natives are precluded from sharing in the benefits of the settlement and their heritage.

Finally, the bill authorizes Native corporations to transfer their land to other entities, including tribal entities, which might better protect their lands for the long term.

Mr. Speaker, this is good legislation and I urge its passage.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first let me commend the gentleman from Arizona, the gentleman from Ohio, and the gentleman from New Mexico [Mr. LUJAN]. They are the last Members that were sitting in this House in 1971 that passed this historic legislation. As the gentleman from Arizona has said, that was a pilot

project, an experimental piece of legislation, signed into law by President Nixon. It was to work and it has worked in many cases, but there is much to be done yet.

At this time I would like to compliment the one gentleman from Ohio who is retiring in the next year. Of course, the gentleman from Arizona is not retiring, the chairman of the full committee. I want to commend them for their work back in 1971 in their attempt to have justice done in the State of Alaska.

Mr. Speaker, as the sponsor of H.R. 4162, I rise in support of the legislation and wish to commend the distinguished chairman of the Committee on Interior and Insular Affairs for his assistance and leadership in helping to bring the legislation before this Chamber.

For the benefit of our colleagues, I intend to briefly describe the background of this legislation and its major provisions.

Fifteen years have passed since the Alaska Native Claims Settlement Act of 1971 was signed into law by President Nixon. The Settlement Act of 1971 was a bold, far-reaching land claims settlement act. ANCSA represented an important change in traditional Federal Indian law, since Congress chose to have the act administered by Native corporations organized under State law, instead of creating reservations found in other States. Under the law, the land would be transferred to these corporations, which would be given 20 years of protection from sale and certain property taxes. This 20-year period was intended to provide the corporations with time to develop economically without the pressure of corporate takeovers.

The intent was stated in section 2(b) of ANCSA, which is not changed under this legislation. Section 2(b) states in part:

The settlement should be accomplished rapidly, with certainty . . . without litigation . . .

The protections of ANCSA were for 20 years, but also called for expeditious conveyances, "without extensive litigation." Fifteen years after ANCSA, lands remain to be conveyed and litigation still hampers some selections and conveyances.

Mr. Speaker, it is important to remember that the land title claims were settled immediately and completely and were not limited to 20 years.

As the 20-year deadline draws near, there has been a great deal of concern in Alaska Native communities that the unrestricted sale of stock could result in the loss of lands conveyed under the Settlement Act. As the committee report notes, the possible loss of land from Native ownership is of paramount concern. It is the reason for this legislation.

To address this concern, the legislation would provide for the continuation of restrictions contained in ANCSA, unless an individual Native corporation takes certain actions to eliminate or modify the sale restrictions. Dissenter's rights are provided where the corporation elects to continue stock restrictions, in addition to clarification or corporate share ownership rights, the bill provides for land ownership protections in the form of statutory protections similar to those now in Alaska Land Bank Program.

Finally, as I have stated throughout consideration of this bill, this legislation does not deal with governments. It deals solely with stock and land ownership. There are ownership issues of private individuals and corporations—not governments. The amendment adopted by the committee with regard to section 7(c) clarifies this intent. Any reading of the amendment which I sponsored in the committee which interprets the intent as affecting the original intent of ANCSA would be erroneous.

The bill does not affect Government powers, grant new lands or funds, and does not have any significant fiscal impact on the Federal Government.

Many individuals and groups in Alaska have spent a great deal of time and effort over the past 2 years in considering responses to the 1991 deadline. Through a series of village meetings, workshops, and special conventions, Alaska Natives have deliberated, and made many difficult decisions which resulted in proposals to Congress. From there, this legislation was considered, changed in some respects, and then was the subject of congressional hearing in Anchorage, Fairbanks, and Washington, DC, over the past year.

Mr. Speaker, these amendments are intended to respond to the concern of rural Alaska and to maintain the intent of the Alaska Native Claims Settlement Act. Nothing more, nothing less. Is it my belief that we must act to provide flexibility for the villages in rural Alaska if the intent that brought us the settlement in 1971 is to be maintained.

We have the opportunity to make the Settlement Act work better to meet the needs of Alaska, especially rural villages.

For these reasons, I urge my colleagues to support this legislation.

□ 1300

Mr. Speaker, at this point, I would like to yield to the distinguished chairman of the Committee on Interior and Insular Affairs for purposes of explanation of the condemnation authority found in section 10 of the legislation.

Will the chairman respond to a question concerning this section?

Mr. UDALL. Yes.

Mr. YOUNG of Alaska. This legislation retains condemnation authority of the State of Alaska over Native lands. The conditions that are placed under existing law for the exercise of this authority are that the authority to condemn lands should be used only for valid public purposes, and only if trust compensation is provided.

It is the understanding of the chairman that these conditions are to be retained under these amendments?

Mr. UDALL. Yes. As the gentleman from Alaska is aware, the State of Alaska and Native corporations have had serious disagreements over the use of Native land and resources, such as sand and gravel, for public purposes. In yet other cases, the State and Native corporations have had disagreements over valuation of land and resources. The committee hopes that disagreements between the State and Native corporations can be minimized, and the committee desires that the Native corporations receive appropriate compensation for use and taking of their lands and resources. The committee understands that the State of Alaska supports our views regarding use of the power of eminent domain, and has adopted several policies to support this position.

Mr. YOUNG of Alaska. Mr. Speaker, I thank the gentleman from Arizona, and I again urge my colleagues to accept this legislation today and pass it overwhelmingly.

Mr. Speaker, I have no further request for time, and I yield back the balance of my time.

Mr. UDALL. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. SEIBERLING], who has been instrumental in furthering the progress of this legislation.

Mr. SEIBERLING. Mr. Speaker, I was in the Congress, but not on the committee, when this legislation was enacted, and among all of the Members of the House, I think the gentleman from Arizona [Mr. UDALL] is probably the person who deserves the most credit for the original legislation, and he and the gentleman from Alaska [Mr. YOUNG] for this very important modification, and actual extension, of the general spirit of the original legislation.

It seems to me that it was very important to have continuing protection for those Natives who desire to hang onto their present corporate forms, and at the same time to have the flexibility so that if they do not want to do that, they have the power to change it through majority vote.

I think that this bill is an excellent solution, or at least the best possible solution, to a very difficult and complex problem, and I commend the gentleman from Alaska and the chairman for their work in resolving this very important issue.

#### GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks in connection with H.R. 4162, the bill presently under consideration.

The SPEAKER pro tempore (Mr. MONTGOMERY). Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I am pleased to rise in support of this legislation and to praise the work of my chairman and ranking minority member in this matter. At the direction of the chairman last July, the gentleman from Alaska [Mr. Young] participated and I chaired oversight hearings in Anchorage, AK, on this issue.

The measure before us, while technical in nature, I believe is in the spirit of trying to provide some additional and important options under ANCSA to the Native Alaskans. I asked my colleague here, the gentleman from Ohio [Mr. SEIBERLING], what the amount of land, for instance, was that Native Alaskans have under ownership or in the process of being transferred to their ownership, and it is some 44 million acres of land. It sort of underlines, I think, the importance of what is at stake in terms of Native Alaskans and of the Alaskan people in general. While that 44 million acres of land is very important, there are other elements as well that are important.

The regional corporations that were envisioned in the 1971 law, ANCSA, have given rise to ownership and other corporate relationships which have become very important, and on the basis of those regional corporations and village corporations, pinned to them are the hopes for economic development and the development generally of the State and the welfare certainly of the people of Alaska, and most specifically the Native Americans that are in that State.

This measure of course has at its heart the opportunity for new alternatives under this law—in other words, especially some degree of protection so that the stock will not be alienated in 1991 as would otherwise occur.

It also provides that option for broadened ownership. For those Native Americans that were not eligible in 1971, that were not born at that time, this will provide an option so that they can become eligible for some land ownership.

Finally, of course, it provides additional measures that specially address such issues as the land-bank issue and the protection of that land so that Native Americans would not lose their



birthright, their land and their resources, based simply on a tax forfeiture of that land.

Mr. Speaker, as I look at this legislation and I look at what has happened in the lower 48, it strikes me that many of the issues that occurred 50, 60, or even 100 years past in the lower 48 with regards to Native Americans are very much questions that are really in the embryonic stage in Alaska. I hope that we can march forward in an attitude of cooperation and prevent the sort of abuse and misappropriation of Native Alaskan resources that are the birthright to Native Alaskans as has occurred so often in other instances in the lower 48 with regards to Native American people.

I know that that is the spirit with which all of us work in terms of this legislation, and I for one stand ready to work with the chairman and the Member from Alaska to ensure that this doesn't occur, that we can have economic development, but at the same instance that we provide an adequate degree of protection so that the birthright of these Alaskan Native Americans is not lost.

□ 1310

I would ask Members to support this measure. I think I've expressed the spirit with which this legislation has been brought forth. I know it will not be the last time we are dealing with Alaskan Native Americans problems, but I hope that it is a successful effort to accomplish and deal with extending and correcting the 1991 date and other provisions, problems in Alaska Native Settlement Act.

Mr. UDALL. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Ohio [Mr. SEIBERLING] that the House suspend the rules and pass the bill, H.R. 4162, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### DESIGNATING COLLEGE OF WILLIAM AND MARY AS OFFICIAL U.S. REPRESENTATIVE TO TERCENTENARY CELEBRATION

Mr. HAMILTON. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 630) designating the College of William and Mary as the official United States representative to the Tercentenary Celebration of the Glorious Revolution to be celebrated jointly in the United States, the Netherlands, and the United Kingdom.

The Clerk read as follows:

H.J. Res. 630

Whereas the years 1988-1989 signify the three hundredth anniversary of the accession of King William III and Queen Mary II to the throne of England;

Whereas the Governments of the Netherlands and the United Kingdom have established a William and Mary Tercentenary Committee for the purposes of celebrating this event in all appropriate ways, including historical, educational, horticultural, maritime, artistic, scientific, and performing arts activities; and

Whereas the Tercentenary Committee has invited the College of William and Mary in Virginia, founded by their Joint Majesties under a royal charter granted in 1693, to be the New World representatives of the William and Mary Tercentenary celebration;

Whereas the historical and cultural ties of the 1688-1689 period to the constitutional history of the United States of America are profound, including the beginning of the limited and constitutional government and the establishment of the English Bill of Rights; and

Whereas the College of William and Mary desires to organize and participate in celebrations relating to the Tercentenary in this country and in the Netherlands and United Kingdom as appropriate: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the College of William and Mary in Virginia is hereby designated as the coordinating body for the 1988-1989 celebrations relating to the world of William and Mary and its relationship to the former British colonies in America now known as the United States of America.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Indiana [Mr. HAMILTON] will be recognized for 20 minutes and the gentleman from Iowa [Mr. LEACH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Joint Resolution 630, which designates the College of William and Mary as the official U.S. Representative to the celebration of the Tercentenary of the Glorious Revolution of 1688-1689. This celebration will occur jointly in the United States, the Netherlands, and the United Kingdom. I want to commend the gentleman from Virginia [Mr. BATEMAN] for his leadership on this resolution.

Mr. Speaker, celebration of the Glorious Revolution gives recognition to the historic ties between the United States and these two European nations and to the democratic values they share. The Glorious Revolution marked an end to a turbulent, but important, period of British history that had begun with a civil war nearly 50 years earlier. The bloodless Glorious Revolution brought to the English throne William III, of the House of

Orange of the Netherlands, and his English wife Mary II. This entire period was critical to the development of Britain's American Colonies and to political thought which influenced the American Founding Fathers. Ideas related to constitutional government and the Bill of Rights developed during this time.

The College of William and Mary was founded in 1693 and took its name from the joint monarchs. In colonial America, the college educated many future American leaders, including Thomas Jefferson. Its name symbolizes the link between the United States and the events of the Glorious Revolution, and thus the College of William and Mary is the proper choice for the U.S. celebration of the Glorious Revolution.

Mr. Speaker, this celebration commemorates the close ties the United States has with two key European allies. It is a reminder of the common political heritage the United States shares with Western Europe. There is, of course, no cost to the Government associated with this resolution.

I urge all of my colleagues to support it.

Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of House Joint Resolution 630, designating the College of William and Mary as the official representative to the Tercentenary Celebration of the Glorious Revolution to be celebrated jointly in the United States, the Netherlands and the United Kingdom.

The years 1988-89 mark the 300th anniversary of the accession of William III and Mary II to the throne of England and will be celebrated with all types of historical, artistic, educational, scientific activities in the United States, the Netherlands and the United Kingdom. The period of William and Mary has enormous historical ties to the constitutional history of the United States and should be celebrated in a manner consistent with the profound impact these ties have had on the formation of our Government.

I can think of no more appropriate body to be the coordinators of the celebrations in the United States than the College of William and Mary and urge the unanimous adoption of this resolution.

Mr. LEACH of Iowa. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution relates more to history than to politics and is thus of singular significance, particularly to this body because the subject

matter symbolizes a benchmark event in the history of legislative power and precedent.

The years 1988 and 1989 mark the 300th anniversary of the accession to the throne of King William III and Queen Mary II, following the overthrow of James II, and the enactment by the British Parliament of a Bill of Rights barring the King from suspending laws raising taxes, or maintaining an army without the consent of Parliament, and from arresting and holding subjects without due legal process.

The Glorious Revolution of 1689 thus is a precursor of the rights we embody in our Constitution and in our Bill of Rights.

The College of William and Mary has been invited to represent the new world as the official United States representative to the tercentenary celebration of this Glorious Revolution which will be celebrated jointly in the United Kingdom, the Netherlands and the United States.

I would urge my colleagues to support this resolution. Few colleges, as the distinguished chairman of the full committee has indicated, are more eminently qualified or historically positioned to represent the United States in such an event.

I would also like to take a moment to commend the efforts of the author of this resolution, the gentleman from Virginia [Mr. BATEMAN]. His concern for history, particularly of his State, but also of the traditions of this country, is very much appreciated in this body.

Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Speaker, I thank the gentleman for yielding and most especially let me add my thanks to the distinguished gentleman from Florida [Mr. FASCELL], the chairman of the committee, the distinguished ranking member, the gentleman from Michigan [Mr. BROOMFIELD], my distinguished colleague of the committee, the gentleman from Iowa [Mr. LEACH], the distinguished gentleman from Indiana [Mr. HAMILTON], and those others who have expedited bringing to the floor this resolution.

Mr. Speaker, the remarks that I have prepared for presentation at this time, I find have already, in the main, been made by those who have preceded me. But let me simply say that the Glorious Revolution of Great Britain is indeed a historic occasion, not just for the people of Great Britain, but for the people of the United States of America, for it was through the Glorious Revolution that representative government and the ascendancy of the English Parliament over the English monarchy became a reality of British political life, and ultimately through the work of our Founding Fathers,

was translated into the political reality which has been the keystone and the core of American representative government.

As a graduate of the College of William and Mary at Williamsburg, in Virginia, as the full official title would go, I am especially pleased to have been able to offer this resolution. For it was at this venerable educational institution chartered by their Majesties King William and Queen Mary in 1693 that Thomas Jefferson was educated, that George Washington was educated, that George Wythe was educated, a signer of the Declaration of Independence, and a host of others.

It is for that reason with some degree of immodesty that we who are close to venerable College of William and Mary refer to it as the alma mater of the Nation.

I am indeed pleased that this resolution has come from committee to the floor and earnestly urge my colleagues to give it their unanimous support.

Mr. Speaker, I rise today in support of House Joint Resolution 630, which I introduced designating the College of William and Mary at Williamsburg in Virginia as the official U.S. representative to the tercentenary celebration of the Glorious Revolution. This commemoration will be conducted jointly by the United States, the United Kingdom, and the Netherlands.

The celebration of the year-long event will take place in the United States, the United Kingdom, and the Netherlands with many events planned. By designating the College of William and Mary as the official U.S. representative, we will be demonstrating our intent to join in a celebration of freedom with two of our closest allies.

The Glorious Revolution in 1688 established a new era in representative government with the dethroning of King James II and the peaceful accession to the throne of King William III and Queen Mary II. Our Nation's constitutional government and the Bill of Rights were based in part on the English Bill of Rights and the writings of John Locke, both of which resulted from the Glorious Revolution.

Thomas Jefferson, author of the Declaration of Independence and one of our Founding Fathers, studied the philosophers and the democratic theories of the Glorious Revolution when he was a student at the College of William and Mary. The influence of these democratic theories later helped influence the American Revolution. In 1986, almost 300 years after the Glorious Revolution, our Nation still holds those ideals of freedom, equality, and justice as the core of our American Government.

The College of William and Mary was established by royal charter in 1693 by King William and Queen Mary making the institution the ideal representative for the commemoration

of this important historical event. Such a designation for the College of William and Mary will demonstrate our Nation's strong support of this celebration. In addition, the College of William and Mary's enhanced ability to raise private funds would allow the United States to make a meaningful contribution to this event at no cost to Federal taxpayers.

Mr. Speaker, I know of no opposition to House Joint Resolution 630 and I urge my colleagues to support this resolution.

Mr. BROOMFIELD. Mr. Speaker, I support this resolution which designates the College of William and Mary in Virginia the coordinating body for the upcoming celebrations relating to the world of William and Mary, and commend the sponsor, the gentleman from Virginia [Mr. BATEMAN] for offering the resolution. Also, I want to thank the gentleman from Florida, Chairman FASCELL, for expediting consideration of the resolution.

The tercentenary celebration will take place in the United States, the Netherlands and the United Kingdom.

As we all know, the years 1988 and 1989 mark the 300th anniversary of the accession to the throne of England of King William III and Queen Mary II. To mark that special occasion, the Governments of both England and the Netherlands have established the William and Mary Tercentenary Committee for the purpose of celebrating this event. Given the fact that King William III and Queen Mary II founded the College of William and Mary in 1693, the Tercentenary Committee has invited that college to be the new world representatives in the upcoming celebration. This important event will be marked by historical, educational, artistic, and other related activities.

It is only appropriate that the College of William and Mary be designated as the coordinating body for the celebrations relating to the world of William and Mary. I urge my colleagues to join me in supporting this commendable resolution.

Mr. LEACH of Iowa. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. HAMILTON. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana [Mr. HAMILTON] that the House suspend the rules and pass the joint resolution, House Joint Resolution 630.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on



House Joint Resolution 630, the joint resolution just passed.

□ 1320

# RECOGNITION AND SUPPORT OF EFFORTS OF THE U.S. COM- MITTEE FOR THE BATTLE OF NORMANDY MUSEUM

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 356) to recognize and support the efforts of the U.S. Committee for the Battle of Normandy Museum to encourage American awareness and participation in development of a memorial to the Battle of Normandy, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore (Mr. MONTGOMERY). Is there objection to the request of the gentleman from Indiana?

Mr. LEACH of Iowa. Mr. Speaker, reserving the right to object, I would like to ask the distinguished gentleman from Indiana [Mr. HAMILTON] to describe what is occurring here at the moment.

Mr. HAMILTON. Mr. Speaker, if the gentleman will yield, I rise in support of Senate Joint Resolution 356, which states the Congress' support for the creation of a museum in Normandy, France, to commemorate the Allied effort in the Battle of Normandy and recognizes the efforts of the U.S. Committee for the Battle of Normandy to encourage understanding among the American people of the importance of this battle. This resolution was approved in the Senate on July 23 and is similar to House Joint Resolution 647, introduced by our colleague from Florida [Mr. GIBBONS]. I commend him for his leadership on this matter. It is under consideration at an important time. The people of France already are taking measures to establish the museum for this historic campaign.

Mr. Speaker, it is important that young Americans and Europeans alike understand the significance of the Battle of Normandy. The invasion on June 6, 1944, and the subsequent hard-fought battle into August played a major role in shaping the modern world. The Western allies—the United States, Britain, Canada, the Free French, the Free Poles, and small units from the Nazi-occupied Benelux countries, fought Nazi forces through the pastures, hedgerows, and streams of Normandy. In the East, the Soviet army was pushing into Eastern Europe. When the Western allies finally broke out of Normandy in August into France's heartland, they were able to set in motion the final campaign which led to the defeat of Nazi Germany in May 1945. Thus, the Normandy campaign helped shape the

modern map of Europe. It symbolized the victory of the wartime allies, and it set a precedent for allied cooperation which was the basis for the close ties of today's Atlantic Alliance.

Mr. Speaker, the Battle of Normandy played a crucial role in our modern history. On D-day alone, 1,465 Americans were killed; another 1,928 were missing in action. I can think of no better tribute to the memory of the soldiers who fell on D-day and the following days of the Normandy campaign than this museum.

I urge my colleagues to support this resolution.

Mr. LEACH of Iowa. Mr. Speaker, under my reservation, I yield to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I support Senate Joint Resolution 356, to recognize and support the efforts of the U.S. Committee for the Battle of Normandy Museum to encourage American awareness and participation in the development of a memorial to the Battle of Normandy. A companion resolution, House Joint Resolution 647, was introduced by my friend and distinguished colleague from Florida [Mr. GIBBONS], who is a veteran of that great battle.

Mr. Speaker, the Battle of Normandy was one of the most critical battles in American history. It was a testament to American resolve and know-how, because of the magnitude of the operations at Normandy, and the significance that battle had in turning the tide of the war. It is only fitting that we recognize the enormous sacrifice of the brave men, both living and dead, who fought that battle.

Mr. Speaker, we should support the efforts of the French people in establishing a memorial museum to commemorate the great allied efforts on the beaches of Normandy, as well as supporting the efforts of the U.S. Committee for the Battle of Normandy Museum in their efforts to encourage better understanding among the American people of the significance of this battle. I urge the unanimous adoption of this resolution.

Before closing, I want to note for the record that due recognition should be given not only to the brave heroes who gave their lives at the Battle of Normandy, but some recognition to those who participated in that battle who are still alive; particularly Members of Congress like our distinguished Speaker in the chair, Mr. MONTGOMERY, our distinguished colleague from Florida, [Mr. GIBBONS], and many others.

The battle was a long time ago, and we are all fortunate they have survived and are continuing to make great contributions to the needs of our great country.

Mr. LEACH of Iowa. Mr. Speaker, under my reservation of objection, I would comment that I, on behalf of the minority, would echo the entire

sentiments of the majority. Having had a father who was in one of the first waves at Omaha Beach, I would simply suggest as well that one of the great events in world history is symbolized in the endeavors of the gentleman from Indiana [Mr. HAMILTON]. The Battle of Normandy was perhaps the greatest secret in American history, if not world history; the Germans did not know it was the only invasion of significance.

If any of us are to realize that there are times in American national life where intelligence is important and patriotic unanimity of singular significance, the Battle of Normandy could well symbolize it. Military historians inform us that if the Germans had an inkling of our precise intentions, the invasion might well have been repelled.

With that as a final comment, I would say on behalf of the minority, we certainly approve of the strong support of the majority for this particular endeavor.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 356

Whereas the battle fought in Normandy, France, in the summer months of 1944 was the largest land battle in history and considered by many to be the turning point of World War II in Europe;

Whereas the Battle of Normandy is one of the first examples of successful Allied military efforts to defend liberty and perpetuate freedom;

Whereas the people of France are creating a memorial museum and study center in Normandy to commemorate the Allied effort and provide future generations of students and others an opportunity to study and understand the causes of the European conflict and the role played by the Allied Governments and military forces in the successful resolution of that conflict; and

Whereas a United States Committee for the Battle of Normandy Museum has been created to inform Americans and encourage support of the museum and study center: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the United States Congress recognizes and supports the historic and educational purposes to be served by the museum and study center in Normandy, France, and of the United States Committee for the Battle of Normandy Museum to encourage understanding of and support among Americans for such an important memorial.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

## PERSONAL EXPLANATION

Mr. McMILLAN. Mr. Speaker, on July 24, the day of the vote on H.R. 5172, the Agriculture appropriations bill, I was in Charlotte, NC, arranging financing for incoming hay supplies to my drought-stricken congressional district. North Carolina will need over 2 million tons of hay between now and March of 1987, and this financing, a critical component of a long-term solution, required my immediate attention.

Had I been present I would have voted in favor of this bill.

## GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members be permitted 5 legislative days in which to extend their remarks, and to include therein extraneous material, on the bill, H.R. 2518, which passed the House today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

## MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, today I wish to continue the line of discussion that I had sustained a week ago, but also go back to a fundamental series of economic—financial—banking concerns that I first discussed 24 years ago, the second year that I was in the Congress.

Even before then, I would like to say for those such as some citizens who have called or have written, when they have read the title of my remarks as "My Advice to the Privileged Orders."

The reason is that a couple of years ago, after having spoken at great length and on many occasions on these issues, and realizing that, as we say back home in Texas: It was like a coyote braying to the moon in a cactus patch.

I thought that I would, instead of offering initiatives and reintroducing and discussing those ad nauseum; some of these initiatives having been introduced as long as 20 years ago.

## □ 1330

For instance, the beginning then of what now is endemic, that is the mergers, these vast swallowings of corporate banking and other enterprises, and which has literally sucked up and tied up all of the main assets of this country. That is, the money assets, where what we have now in our country is a vast frozen lake of monetary, financial, credit assets that really belong to the people, were and have always been created for the people's use in promoting the industries, in firing the engines of commerce and in making it possible for the small entrepreneur, the backbone of our country's economy, to have affordable credit in order to conduct his business.

That was 20, 23 years ago in which I was accused of being a Cassandra, a predictor of gloom and doom, but usually the persons who spoke that way were persons who had neither listened to nor read the contents or the thrust of my remarks.

What I was saying and continued to say and said before I ever thought I would be in the Congress was that you cannot, and all history clearly reveals this, a history that goes back to 7,000 years before Christ, in any human endeavor have what has been defined variously, first in religion then in law, and then in the processes of the intercourse in commerce, as usury, or exploitative, or predatory rates of interest.

Interest by definition is the most inflationary of forces in the economic existence of mankind. For some good reason, as far back as the code of Hammurabi, 7,000 years before Christ, usury was punishable and even at the time that Jesus Christ was preaching, usury was punished.

In fact, even interest of any kind was punishable as a crime. And the ancient pre-Christian Jewish judges and kings mandated punishment for such things as what we call interest today.

Of course, we are talking of a very crude economic existence but nevertheless the equivalent to our more complex living today.

Man has not changed much as to his nature and his propensity to be greedy and insatiable as it said in the Scriptures, "He who desires silver shall not be satisfied with silver, and he who seeks increase shall not be satisfied with increase." That means that there is one aspect of human behavior that seems to proclaim that the more one has, the more one wants.

One reason why governments were set up in the very dim dawn of mankind's civilization was for that very fact that there are forces that only collectively can mankind regulate these predatory and exploitative practices.

The fact is that you did not have to be an expert 20 years ago when we had the first so-called credit crunch in

June of 1966. Contemporaneously in that month on June 19, to be exact, the prime interest rate was jacked up 1 whole percent overnight.

Now, some people say, "Well, what is this all about?" Well, I pointed out then that there was not historical precedent for that; even during the height of the Civil War the prime or what we call now—it has been so redefined that we have such an abuse of language today, we are living in a full Orwellian world—what we were defining as prime interest rate in 1966 was jacked up by 1 whole percent.

That had not happened even during the height of the Civil War. All wars bring about the concomitance of inflation, price gouging, war profiteering. And our Nation today is so inured to being a war economy based type of activity that we do not even realize it. Of course the war profiteering that goes on today in light of a \$315 billion war budget—I do not call it a defense budget; it is no more a defense budget than the budget of the city of San Antonio is a defense budget—it is a war budget.

President Reagan has opted for war from the very beginning. He is convinced, and those around him, that they know how America can go back, get in a war and win it. So they are talking about what they call the low-level or low-intensity type of wars. But the best laid plans of mice and men often go awry. Fortunately, the American people will not take too long to realize the impact, as we are beginning now. But in 1966, when I raised the issue with the then chairman of the Committee on Banking that this augured bad, why? Because in 1865 at the time the National Currency Act was passed, we also eliminated the National Usury Act.

Nationally, we have never had a usury control act since 1865, which was right about the time the Nation was trying to lick its wounds from the Civil War.

The States have had, some in their constitutions, as in my State of Texas, usury defined at certain rates. But in 1966 I pointed out to the then chairman of the Committee on Banking that if the Congress did not look into this matter to try to get the President and his concern about it, that being that there was no legal limit, that it was conceivable that someday—and nobody at that time thought it would be soon, and that is why I was dismissed rather casually—someday there would be astounding limits.

Well, it took a few years, actually 15 years, because by 1980 in the late fall of that year, astoundingly the prime interest rate was hitting 21 percent. This was capitalized on right before the November election by then candidate Ronald Reagan. President Carter also tried to do what some of his pred-



ecessors had done, as they are doing now—some of the other issues that I have referred to such as defense budgets and war budgets—in the hope that, if you put it under the rug, it would be overlooked and everything would come out all right in the end.

But in 1966 the handwriting was on the wall. I spoke out. I took the floor. We must remember that I have been speaking on this privilege we call the special category of special addresses to the House after all legislative business since I first came to the Congress. I had not been sworn in 2 weeks before I had a special order. There was no TV coverage, and I was not and I am not now speaking to TV. I am speaking to the RECORD for my colleagues who might at this moment be listening in their closed-circuit apparatus or will read the RECORD if they are interested tomorrow. And also because I feel the responsibility as a member of the Committee on Banking, from the very beginning, to go on record.

My point is not that I am trying to dictate; it would be foolish to think that I would have that kind of an influence. But I am on record. Everything I have said you can verify by looking at the RECORD. But, finally, a couple of years ago recalling Joel Barlow, the great American patriot who was one of George Washington's Army chaplains, but was also a pamphleteer and a real revolutionary, he had gone to Europe, was a great friend of Tom Paine and the other pamphleteers and revolutionaries. And he addressed a series of articles or essays to the privileged orders of Europe and elsewhere. We must always remember that the American Revolution was almost contemporaneous with the intense French Revolution, which, in the context of that day and time, and the word then fearfully expressed on the lips of Englishmen and Americans was "Jacobin" because those were the radicals of that day. Those were the ones that were guillotining and chopping the heads off the aristocracy in France. The French Revolution of the 18th century was the equivalent roughly of the revolution in Russia in 1917 and thereafter, in the 20th century, to us.

Really, basically there is a sort of a rhythm to these great thresholds of human endeavor in seeking and obtaining liberty. I guess the big lesson that all history shows us is that liberty never is won permanently. I think this is what we Americans have become very complacent about and think that we are forever insured and that we have a self-perpetuating type of governmental and representative democracy. I frankly feel it is very, very fragile. I think it is fraught with danger at this time with a President whom we have placed in power. And the people themselves have done it, so there is nothing to quibble about that.

The point is that I then decided that I would address myself in the same vein, not that I would have the presumptuousness to compare myself to a genius such as Joel Barlow, but that I thought it was very much a similar period of time in that we now are the privileged orders in the United States.

Members of Congress, supposedly the representatives of the people, freely chosen in an electoral process, surely we would be a privileged class. Economically our rate of pay is not exactly a misery. Perhaps it is not what it ought to be, but I think it is reasonable and that it places us, compared to the vast overwhelming preponderant American wage earners, and compared to the median average wages earned in this country, we are in that upper group, upper privileged apex.

But the people that are in control, that is those who shape and mold the policies, are not in the Congress. Those that are surrounding the President, these great corporate oligarchs and particularly the very, very intensely interconnected and now highly concentrated banking interests that today allegiances are very, very ephemeral. We are talking about multinational banking institutions.

Remember that the dollar, per se, has no conscience. It is going to go where it can make more dollars.

But in that process that I was trying to say in 1966 was that the handwriting was clearly on the wall and that, unless either the President or the Congress reviewed and said just what does this mean, how many businesses in the summer of 1966 found themselves facing that credit crunch?

□ 1345

What do we mean by a credit crunch? What I mean is that suddenly, the normal processes of the allocation of credit are stopped, are bottled.

The history of our country clearly shows that that has been the basic underlying issue from the very beginning of our national existence. Our national existence began with the Continental Congresses, the First and the Second. What we do not realize is that even they had to have bankers. So they chartered what they called the Bank of North America, private bankers.

Oh, they would have charged a lot of interest, but you had men like Thomas Jefferson, who cried out and bellowed. In fact, if I were to use the words of Thomas Jefferson toward bankers, I would be excoriated throughout the country. I would be called vindictive and unfair for blaming bankers and all of that. But Thomas Jefferson clearly saw the issue.

The issue reappeared soon after the Nation began its form of government that we enjoy, that is after the approval of the Constitution, the setting up of the Congresses and the execu-

tive branch and the judiciary. Then there was the beginning of the first U.S. Bank, and the second charter of the U.S. Bank, which, by the time President Andrew Jackson who, incidentally, I will remind you, was a people's, common-folk President, and his doing away with that bank.

What were the reasons? The reasons were simple, that none of the national leaders were willing to sell out the national interest and the power to control the allocation of credit to these private endeavors known as the private banking system. So they hemmed them in. In 1837, or thereabouts, they shifted it to the formation of State banks, thinking that if you diffuse, only to find out to their horror when the Civil War broke out that you had concentration and equal abuses even on that level.

What was on President Lincoln's mind? The way he died, that issue. He was speaking about it. He was peering into the future, he said, and he was very concerned about the concentration of these resources and these banking interests that not only survived the war, after all they did not go put their money in the war, they became richer during the Civil War. They all did and they are doing it now.

Mr. Speaker, at this point, I wish to offer for the RECORD from the New York Times, Sunday, July 27, the business section, an article entitled "The Sudden Wilting of Reagan's Rosy Economy."

The article follows:

#### THE SUDDEN WILTING OF REAGAN'S ROSY ECONOMY

(By Peter T. Kilborn)

WASHINGTON.—Just six months ago everything looked so good. Interest rates, oil prices and the dollar were all down, and many economists expecting better days, applauded the luck and work of Ronald Reagan. But by summer the economy had turned resoundingly weak. And the President's economic record has suddenly been thrown into doubt. Mr. Reagan's free-market goals for growth and smaller government are being thwarted: The growth has been slow, and the Government's role in the economy has yet to shrink. Worse yet, the giant budget deficits, created in part by the President's earlier budget policies, have begun to look intractable again. The record of the Reagan Presidency, which seemed so promising earlier this year, is looking frayed and fragile.

"The large deficits are coming home to roost," said Senator John H. Chafee, a Republican from Rhode Island who has sided with the President on many issues. "It doesn't bode well for this country. We've got some awful signs out there. But the President is awfully stubborn about reaching compromises with things like defense spending, taxes and Social Security. As a bargainer he should be tough, but he goes beyond the point of reason so we don't succeed in getting the deficit down."

And Hugh Heclo, a Harvard professor, in an Urban Institute study of Mr. Reagan's record, wonders whether he will be viewed

as a President who "stored up problems for the future."

For now, it appears that the judgments of the future are being colored by the soft economy. Although the President's own economists are predicting a strong second wind for the economy in the last months of this year and all of next, most private forecasters doubt things will get much better. A few even think a second Reagan recession is just ahead. The President, of course, has more than two years left in office before the historians take him on, and no one denies that he has already proven an extraordinary innovator. The inflation that dogged his three predecessors is no more than a memory, the benefits of lower interest rates and falling oil prices are still at work, and it is easier to buy a house than it has been since the 1970's.

But the Administration's revolutionary rhetoric—of a booming, free-enterprise economy—may be proving out of reach. In remolding the economy's structures, President Reagan has probably been as influential as Lyndon Johnson, if not Franklin D. Roosevelt. But in terms of economic performance, he is now doing little better than Jimmy Carter and Gerald Ford. Inflation is lower but unemployment is higher and growth slower.

The President promised a supply-side boom in personal savings and industrial expansion, and he has been getting neither. The nation's savings rate has dropped below 5 percent, from 7.5 percent five-years ago, and business investment, after strong gains, has barely changed from a year ago. He promised 4 and 5 percent growth year upon year and is getting half that. Last week's report of a mere 1.1 percent rise in the gross national product during the second quarter brought first-half growth down to 2.4 percent.

In 1981, the President said his policies would add 3 million more jobs to the economy, but none has surfaced. In fact, the economy has lost 1 million manufacturing jobs since Jimmy Carter left office, and the unemployment rate languishes where it did when Mr. Reagan took over, around 7 percent. Poverty has grown a bit during the Reagan Presidency, not declined. It has fallen among the old, but grown among the young.

Above all, the President promised a balanced budget, but his insistence on raising military spending, his refusal to raise taxes and his reluctance to cut back on Social Security have pushed the deficit beyond what anyone imagined it would be when Mr. Reagan took office. The deficit seemed certain to decline this year from last year's record of \$212 billion, but the slower economy is pushing it up again. As a share of gross national product, it has fallen a bit but it continues to hover over the economy.

"When you look at the charts of the future, you won't be able to see where Reagan began and Reagan left off," and Herbert Stein, economist at the American Enterprise Institute, President Nixon's chief economist, and an outside adviser of President Reagan. Mr. Stein praises the President for his forbearance during Federal Reserve Chairman Paul Volcker's assault on inflation, something he said few other Presidents would have tolerated for so long. But he faults him for the budget deficits.

"The main criticism you can make is the disparity between the accomplishments and the claims," Mr. Stein said. "The claims were really incredible."

Added Democratic Senator Daniel Patrick Moynihan of New York: "After almost six years, you can say nothing's changed."

Some of the economy's failings, to be sure, cannot be laid to the Administration: Economists trace some to a recession that was not the president's doing but was, instead, Mr. Volcker's. The excesses of previous Administrations, in larding the budget with programs that have grown like beanstalks, cause problems. So do the policies of other governments—notably Japan and West Germany—that now wield immense power over an American economy that could once ignore the rest of the world. But the President did have a lot to do with another problem that also accounts for the economy's weakness—his six-year trail of budget deficits.

The economy's overall performance aside, President Reagan has presided over some stunning changes in the economy's tone and character. The public's expectations for the future, essential to keeping the economy rolling, stand close to record highs as measured by the leading surveys of consumer confidence. That stems partly from the drop in inflation and also from the fact that the economy still manages to grow, albeit sluggishly.

The President has also proven more innovative and responsive to new ideas, with few partisan scruples about their provenance, that anyone since Lyndon Johnson and perhaps since Roosevelt. He led, for example, the march to an overhaul of the tax system that is based mostly on the "flat tax" theories of Democratic Senator Bill Bradley from New Jersey.

With that, and with his tax-rate cuts in 1981 the President appears to have set back the 50-year-old notion that governments should use their taxation powers to redistribute incomes from the rich to the poor. Instead, he argues, all do better when all pay less.

With the budget and tax policies, he has also beaten back powerful special interests—big unions and big lobbies. He has expanded the deregulation of industry that President Carter started. He has reawakened the spirit of entrepreneurship, spawning a proliferation of new businesses. And his commitment to privatization and free enterprise has proven infectious. Scores of other governments now—from Europe to China to the debtor nations of Latin America—have adopted these Reaganesque doctrines.

But the record so far makes these testing times for Reagan economic policies. Congressional elections loom in November. If the slow economy persists or sours, the President risks losing the six-seat Republican edge in the Senate, his principal ally in nailing down the planks of his economic system. Pollsters say that the electorate votes for change or continuity according to how well the economy has treated it over the prior three or four months. The majority of voters, concentrated in the East and California, have been well, but those in the numerous states of the farm belt and the oil patch are mired in recessions.

These are testing times for another reason. The President's budget deficits are such a burden now that even the President says he is committed to respecting the terms of Congress's Gramm-Rudman-Hollings balanced-budget law to bring them down. To meet the law's objectives, however, the President risks violating such major promises of Reaganomics as the refusal to raise taxes, to protect Social Security or to cut military spending.

"There has to be an admission that in some of these areas where we least like to make concessions we're going to have to make concessions," said Richard E. Heckert, the chairman of DuPont, whose views reflect those of most of big business.

If the deficits are brought under control, the feature of his economic policies that might set the President apart from his predecessors could be his struggle with the Goliath of government—in making it smaller, or at least in restraining its growth.

For the moment, his record there is mixed. Over most of the last three decades, Federal Government spending hovered around 19 percent of the gross national product. It climbed to 21 percent under President Carter, and to 24 percent three years ago, where it appears to have stabilized. Thus the Reagan Government is still substantially larger than President Carter's. Some of the increase, however, had been built into the budget by previous Presidents, so merely stopping the rise might be judged an achievement.

"When Reagan came to power," said the Deputy Secretary of the Treasury, Richard G. Darman, "the U.S. was heading slowly, steadily, incrementally toward a European-style mixed economy" with large, state-owned business competing with private industry. "The significant Reagan contribution," he said, "is that he stopped that trend. That is an absolutely fundamental contribution."

Still, the Administration believes that with all it has done to foster free enterprise, the forces of an interdependent world economy now often undermine Reagan policies. Falling oil prices and erratic worldwide declines of other commodities have been lucky breaks for the President in pushing inflation down, but the speed of the declines has upset regions and industries whose livelihoods are tied to the commodities. Many of those difficulties originate with developing-nation governments whose interests often conflict with those of the American economy.

Then, West Germany and Japan—staunch allies in most matters—are also causing trouble. Mr. Volcker and Treasury Secretary James A. Baker 3d keep appealing to Bonn and Tokyo to revive their soft economies with Reaganesque cuts in taxes and interest rates.

If they did so, the administration assumes, their more prosperous consumers and businesses would buy more American goods, and the buying would help to reduce the stubborn American trade deficit. The deficit—a record \$148 billion last year, and at least as much this year despite the 18-month decline of the dollar—is a measure of some of the jobs that have been lost to foreigners. Without that deficit, with a favorable balance in foreign trade, the economy would be growing two percentage points faster than it is now. That, in fact, would be just what the President promised five years ago.

But West Germany and Japan have declined to go along. They say they fear a rise in their own budget deficits and higher inflation, and as the American experience testifies, these are legitimate concerns.

But there is another reason that Germany and Japan do not advertise. For reasons of pride or comfort, they habitually run big surpluses in their trade, and the surpluses, the flip side of the American deficits, have been running uncommonly high. This might seem good for them but it is bad for their trading partners. One country's surplus is a drain on another's economy, and the conse-



quences of such drains can boomerang on the surplus country by slowing the world economy. Economists say countries can assure a sound world economy only if all try to keep their trade in balance.

But the American budget deficit makes balanced trade a difficult goal. For trade to work in America's behalf, the dollar must be lower. But despite its declines, the dollar is only halfway back to its lows in 1980, largely because relatively high interest rates still lure foreigners into buying dollars and financing the American deficit. And because of the relatively high world rates, all countries are performing worse than they otherwise might, undermining world trade.

For his part, the President had expected his supply-side policies would generate new Government tax receipts to tame the deficit. But the magic didn't work. Instead, the President and Congress took a national debt of nearly \$1 trillion, amassed over more than 200 years, and doubled it in six years. Legions of foreigners bought the Treasury securities that finance the debt, and now a nation that was once the world's biggest creditor is now the biggest debtor. According to Harvard's Mr. Heclo, the difference between the Reagan Presidency and its predecessors, "is that Reagan's America is more heavily mortgaged at home and abroad than ever before in peacetime."

The deficits cause the President another problem. They bleed the budget for interest payments, leaving the President that much less to spend on Government programs, including those he favors. Interest on the national debt is expected to come to about 14 percent of the budget this year. In 1980, when interest rates were more than twice what they are now, the payments amounted to 10 percent, and in 1970 they were 7 percent. In holding up interest rates, the deficits also weaken the ability of business to borrow and invest, jeopardizing another goal of the Reagan economic plan.

Some conservative economists maintain that a sound economy requires a balanced budget. Most economists and all other Presidents since Roosevelt, however, have accepted the notion of the late British economist, John Maynard Keynes, that a deficit is a useful and even essential tool to lead a country out of a recession. Once a recovery is assured, however, governments should let the deficits fall, which frees them to tackle the next recession.

That is something President Reagan did not do. Quite to the contrary, in 1981 he cut taxes, saying that would propel the country to his new era of supply-side prosperity. But unbeknownst to him, a recession was beginning in the summer of 1981 just as the tax cuts took effect. Eighteen months later the economy rebounded from the recession, thanks to the tax cuts.

"None of the domestic economy's success then, in terms of the business cycle, would have happened without the deficits," said Albert M. Wojnilower, the chief economist at the First Boston Corporation.

But unlike a convention Keynesian, the President kept building deficits. "He got the economy running again," said Barry P. Bosworth, an economist at the Brookings Institution and President Carter's inflation fighter. "Now he's got the economy borrowing way beyond its means."

Such critics marvel at how President Reagan has succeeded in holding his popular support in the face of the deficits, the slow economy and high unemployment. "We've had a lot of anti-empiricism in national discourse," said James David Barber,

a political scientist at Duke. "Political discourse in the nation has been reduced to a balance of sentiments." President Reagan, he said, seems to fascinate the electorate much as Mr. Barber says he fascinates his own children when he drives up to a stop light. "I command it to turn green, and it does. They're really impressed."

Michael Boskin, an economist at Stanford, says other Presidents would have been put on the defensive by the Reagan economy's performance. "Don't you find it remarkable," he said, "that 7 percent unemployment, 3 percent growth, and 3 percent to 4 percent inflation and is considered pretty good? Four percent inflation made Nixon impose wage and price controls. When I was a graduate student in the sixties, the rule of thumb was 4-4-1-4 percent growth, 4 percent unemployment and 1 percent inflation."

Added Mr. Bosworth: "Jimmy Carter would have been vilified for a 7 percent unemployment rate, and now unemployment is way down the list of national concerns."

Despite all that, some believe President Reagan may be doing a better job than the man who might have been President, Walter F. Mondale, the President's last challenger, rebuffed Senator Bradley's tax system proposals, which are likely to prove an important achievement of the Reagan era. And he proposed raising taxes two years ago to lower the deficits.

But by the summer of 1984, the chance to cut the deficit, provided by a rapidly growing economy, had already passed. The economy was sliding into the slowdown and it has not advanced much since then. Had Mr. Mondale raised taxes, he might well have tipped the economy from a slowdown into something ugly.

"Democrats," said Peter L. Bernstein, a Democrat and an economic consultant in New York, "would have gotten us deeper into the mire."

I thought that was quite rare. I never have seen or witnessed a real recovery. I have seen some that did not recover but they profited. I will read just a few things that kind of surprised me.

Just 6 months ago, everything looked so good. Interest rates, oil prices and the dollar were all down. Many economists who expected better days applauded that look and work of Ronald Reagan.

Then down below, all of a sudden, the author, Peter T. Kilborne, says:

For now it appears that the judgments of the future are being colored by the soft economy. The President's own economists are predicting a strong second wind for the economy in the last months of this year and all of the next. Most private forecasters doubt they will get much better. A few even think a second Reagan recession is just ahead.

Now wait a while. This is the first allusion to the first Reagan recession I see in print. Everybody, including a host of my colleagues on the other side of the party line, have been proclaiming the great, great recovery. I have never heard any words of recession, even though I was saying, "Hey, wait a while."

I have had a record number of small businessmen go out of business here in my district. I do not know of a small businessman—when I say small, I

mean a small, small businessman. I am not talking about our national definition of small. That would be a giant in my city. I am talking about a small businessman who has a little establishment, who has about three or four employees, and he needs to go to the bank to borrow \$3,000 for either an inventory or a line of credit. I was saying, how can this be a recovery if he still has to pay 17, 18, and sometimes 19 percent interest rates? There was all of this so-called downturn on interest rates. How much does a little man going to the bank to borrow \$2,000 today have to pay by way of interest?

Well, I will tell you it is not going to be 9 percent. It is not going to be 10 percent. Not for him.

So where are we in such a great suddenness finding that there is a second Reagan recession around the country? Where was the first? This is the first time that I see it alluded to.

Then I would like to introduce No. 2, this one from the Washington Post, also from yesterday, Sunday, July 27, in the business section. It is headlined, "Economic Slowdown Puzzles Analysts."

The article follows:

[From the Washington Post, July 27, 1986]

#### ECONOMIC SLOWDOWN PUZZLES ANALYSTS

(By John M. Berry)

The abrupt slowdown in the second quarter—following growth in preceding quarters that was more robust than earlier believed—left analysts puzzled last week about where the economy is headed.

The Commerce Department said the economy had grown more strongly in 1985 and the first quarter of 1986 than had been reported earlier, but then estimated only a 1.1 percent rate of increase in the gross national product, adjusted for inflation, for the second quarter.

In the second quarter, American consumers, businesses and governments actually increased purchases of goods and services bought for their own use at a hefty 5.5 percent annual rate, even after taking inflation into account.

Demand growth that strong usually would mean the U.S. economy was doing well, but the summer of 1986 is hardly a "normal" period in American economic history. The 5.5 percent rate of increase in final demand by domestic purchasers translated into anemic 1.1 percent GNP growth. Why did the demand growth not produce a bigger number for GNP?

Two equally large factors intruded: First, a surge in imports of foreign goods satisfied a substantial part of the increase in demand; and second, business bought fewer goods to put into their inventories than they had bought in the first quarter. Both developments meant the demand for domestic production rose very little.

Meanwhile, the 5.5 percent rate of increase in domestic final demand included what many analysts believe to be an unsustainably large rise in consumer spending—up at a 5.9 percent rate. There was also a significant increase in housing construction and a small decline in business investment in new plants and equipment.

It added up to a peculiarly mixed bag that left forecasters wondering what comes next.

Part of the further deterioration in the U.S. trade balance was due to a sharp increase of about 1 million barrels a day in the volume of oil imports. That increase is not likely to be repeated this quarter, even if the volume does not fall.

That's important, analysts say, because it is the steady worsening of the trade deficit, not just its size, that keeps sapping the growth of demand for domestically produced goods and services. If the trade deficit does begin to shrink, then that will become a plus rather than a minus for GNP corporate profits and jobs.

But there could be some improvement as a result of the large decline in the value of the dollar during the past year and a half, compared with the Japanese yen, the West German mark and some other currencies. A declining dollar makes imports from such countries more expensive.

The initial effect of the dollar's drop was to lower margins significantly from artificially high levels produced by the rapid increase in its value between 1983 and early last year.

Alan Greenspan of Townsend-Greenspan & Co. estimates that operating profit margins on U.S. merchandise imports peaked at about 11 percent in February 1985. Margins fell for about a year and have started to recover, and that recovery has begun to show up in the price of imports. Between January and May, the latest figures available, prices of non-oil merchandise imports shot up by more than 11 percent.

"During the same period, total merchandise import prices fell by about 5 percent, but this, of course, is due to the dramatic decline in the prices of petroleum products," Townsend-Greenspan told its clients recently. By the end of this year, if continued, import prices can be expected to go up another 10 percent "at a minimum," adding about 1 percentage point to the rate of inflation during the period.

These large increases in the cost of imported goods ought to encourage purchases of relatively more U.S.-produced goods and, therefore, at least some reduction in the trade deficit. Just when such a turn will come remains only a guess.

Inventories are somewhat less of a puzzle, though they, too, can behave in unpredictable ways from one quarter to the next. The major factor in the second quarter appears to have been the big effort by the automobile manufacturers to reduce the stocks of unsold cars on dealers' lots by offering cut-rate financing.

While the rate at which businesses will be adding to their stocks of goods on hand could fall further this quarter, most analysts do not expect nearly as large a reduction as occurred in the second quarter. In other words, inventories should be much less of a drag on GNP this quarter, and possibly could be a positive factor.

The Reagan administration will release a revised economic forecast next week. It will show an increase in real GNP this year of less than the 4 percent predicted in February. However, it will also predict more growth, probably of about 4.5 percent, for 1987, which earlier also was seen as a 4 percent growth year.

The new forecast will call for faster growth in the second half of 1986 than the 2.5 percent rate of the first half, probably enough to produce about a 3 percent to 3.5 percent increase between the fourth quarter of last year and the fourth quarter of 1986.

However, at least one senior administration economist said things could turn out much better than that should trade and inventory figures both turn around together.

"In the second half of the year, you have the potential for one hell of a growth quarter" should that happen, the economist said. "That would represent a huge change in the pressure on some parts of the economy."

The administration economist said the new forecast will not be so bullish because the timing of such changes are impossible to predict.

Meanwhile, smaller gains in consumer spending probably are on the way, the economist added. The 5.9 percent rate of increase in the second quarter might have been overstated as a result of difficulties in dealing properly with declining oil and gasoline prices, so consumers appeared to be buying more of those products than they really did. Spending for consumer nondurables other than oil and gas was up at about a 1.5 percent rate, the economist points out.

Another factor tending to slow down consumer spending, which in the second quarter accounted for 65 percent of CNP, will be smaller increases in personal income in coming months, the official said.

Greenspan pointed to another negative factor for consumers: Household debt has increased to the point that, despite lower consumer and mortgage interest rates, Americans are obligated to spend more than 30 percent of their cash disposable income to make their monthly payments. That compares with a peak of about 26 percent in 1979 and levels well below that during much of the 1970s.

Moreover, some households naturally have debt repayment burdens higher than the average.

"Should the economy dip into a recession and consumer incomes decline, it is apparent that this would result in severe hardships and possible debt defaults by a number of American families. However, of more immediate concern is that high debt-servicing charges usually restrict the flexibility of households in retail markets.

"Hence, it is difficult to see the strong second-quarter consumer behavior maintaining anywhere near the same pace during the second half of this year," Greenspan concluded.

The same sort of reasoning could be applied to business capital spending, which fell at a 2.6 percent rate in the second quarter after a 15.1 percent rate of decline in the first quarter. Much of the drop so far this year is a direct result of sharp cutbacks in oil industry investment because of plunging oil prices. However, Greenspan said, businesses also have very high debt burdens that have executives worried.

Interest payments soared from around 26 percent of corporate cash flow in 1977 to 43 percent in 1982, before dropping to 36 percent at the end of 1983. But since then, he said, such payments have risen again to nearly 39 percent of cash flow.

With low inflation, corporate executives are reluctant to make capital investments that would add to their companies' debt-service costs and, like the households mentioned earlier, make them more vulnerable to a squeeze should a recession occur anytime soon.

Meanwhile, the large amounts of unused production capacity in most industries and some added uncertainties created by the pending tax revision bill before a House-Senate conference committee also are

having a negative impact of some dimension on capital spending.

The remaining portions of GNP, new housing construction and government spending, also are not apt to add much to growth.

Housing remains one of the strongest parts of the economy, chalking up a 15.4 percent rate of increase in the second quarter. Nonetheless, housing starts are not likely to increase above the current annual rate of about 1.85 million units, and that means their positive impact on GNP growth will diminish.

Finally, government spending is seen by many analysts as adding little to growth and perhaps turning out to be another negative factor if Congress is successful in reducing the federal budget deficit as called for under the Gramm-Rudman-Hollings deficit reduction law. Even if the law's deficit targets are exceeded, federal government purchases of goods and services will be cut to some extent.

What does this produce in the way of economic growth during the next 18 months? The predictions range from no growth at all for the rest of this year to an acceleration of growth to the 4 percent to 5 percent range. Take your pick.

They say, "What is the cause of this? Two equally large factors intruded. First, a surge in imports of foreign goods satisfied a substantial part of the increase in demand. Second, business bought fewer goods to put into their inventories."

Well, I guess so. There is a limit beyond which all history shows us. No stable economic situation exists in a society where you have interest rates just gouging and just flogging the inhabitants of that community.

This is what we have had. Nobody has wanted to address the issue. It is considered like an act of God.

For instance, just a couple of years ago, the Chairman of the Federal Reserve Board was patting himself on the back. Ronald Reagan, of course, has never stopped patting himself on the back about how inflation has been controlled.

I have taken the floor numerous times and said, "Where?" I notice some economists said business inflation has decreased. Well, that is nonsense. Inflation is inflation. What does it take a family to live today? I know. I go with my wife and do grocery shopping. I am not paying less for groceries today than I was a year ago. My light and gas bill has gone up 500 percent in less than 2 years. My water bill has gone up 550 percent in less than 2 years. Do you think I am going to tell my constituents that, and do you think they would believe me if I tried, as I think my mayor is finding out right now, that inflation has been controlled, that the cost of living reflects a decrease?

□ 1335

I have news for anybody that wants to advance that. I am going to ask them to please go out and check with



their own constituencies. I do not mean our peer constituencies, socially speaking. I mean the average, little citizen.

Then I offer the third. Here we have all of this sad story and there is another article that I am not going to introduce that talks about one of the biggest, well, the second now, largest bank in the United States having a very, very dim and gloomy outlook. But all of a sudden here, on July 28, that is today, Washington's business section of the Washington Post, you have "Bank Investors Reap Big Dividends." Hey, somebody is making a killing here.

#### BANK INVESTORS REAP BIG DIVIDENDS (By Stan Hinden)

Sometime this year, if stockholders and regulators approve, Citizens Bancorp of Maryland will swap almost \$50 million worth of Citizens stock for ownership of the small Bank of Damascus in upper Montgomery County.

The largest reported shareholder, Herbert S. Hyatt, a retired Damascus bank president and a director for 44 years, would get Citizens stock valued at \$3.4 million in return for his 3,599 shares of Damascus. Several directors of the bank would each get more than \$1 million in Citizens stock—almost four times the book value of their Damascus stock before the sale, according to recent bank records.

At the same time, Riggs National Corp., stepping across the District line for the first time, will spend \$37.8 million to buy the shares of the Guaranty Bank and Trust Co., of Fairfax. The largest reported shareholder, Elizabeth M. Fairchild of Washington, a director and owner of 64,315 shares, would get \$2 million for her stock. Two other directors would get more than \$1 million each.

The stockholders of the Bank of Damascus and Guaranty Bank and Trust Co. are the beneficiaries of a second wave of "merger mania" that is sweeping the area banking community, enriching longtime investors and stock speculators.

The first wave of activity began early last year when Virginia banks marched across the Potomac to buy District and Maryland banks. United Virginia Bankshares, Sovran Financial Corp., Bank of Virginia and Dominion Bankshares moved rapidly to expand their franchises, sending the price of area bank stocks soaring by as much as 189 percent. (See chart, page 21.)

For shareholders, one of the most profitable merger deals was the Sovran buyout of Suburban Bancorp in Maryland. When the merger was announced in September, Suburban shares were selling for \$61.50 a share. By the time the deal closed in March, each Suburban share was worth \$100.60, a gain of 63.6 percent in six months. That was on top of a 46 percent gain made earlier in the year when a possible merger was anticipated.

In the second wave, major institutions are buying smaller banks either to obtain an "address" in another jurisdiction, as in the case of Riggs, or to extend and strengthen their home base, as in the case of Citizens.

The prices paid for small banks in the second wave have had a dramatic effect on some of the stocks, which tend to be held by relatively few shareholders and thinly traded, if at all.

The pattern has been established in four recently proposed mergers involving the

Bank of Damascus, Guaranty Bank and Trust Co., Enterprise Bank of Falls Church and Ameribanc Investors Group, holding company for Ameribanc Savings Bank (First American Savings and Loan Association of Virginia).

#### VALUE JUMPED 277.6 PERCENT

On May 15, a share of stock in the Bank of Damascus was valued by the bank at \$250. A month later, after the directors accepted a buyout offer from Citizens Bancorp, that same share of stock was worth \$944, a jump of 277.6 percent. Citizens offered to exchange eight shares of stock, selling for \$118 each, for one share of Damascus stock.

Emotions ran high in Damascus when Citizens made its controversial offer for the 65-year-old bank. Bank President Walter C. Brown, who has been with the bank for 37 years, voted against the offer, saying he wanted to retain its local control. He was joined by two others on the 11-member board.

Despite his opposition to the merger, Brown said he was angry about critics who said Citizens was paying too much. Citizens, he said, "is being made out to be paying an arm and a leg, and getting nothing. It isn't true."

Bank of Damascus, Brown said, owns real estate worth more than \$10 million and securities that have increased in value by more than \$2 million. These investments are included in the bank's book value at their original cost, far below their current value. If these two items were fully reflected in the bank's book value, the figure would increase from \$253.20 to \$443.20, Brown said.

At that level, the \$944 deal with Citizens would be worth 2.1 times the Damascus bank's book value, instead of 3.7 times. The going rate for area bank mergers has been about 2.5 times book value.

Book value per share represents a bank's net assets minus the value of preferred stock, divided by the number of common shares.

Brown, according to bank records, owns 1,519 shares, now worth \$1.4 million. Like other directors and shareholders, Brown has been accumulating his stock for nearly four decades.

Bank of Damascus, with four offices in Montgomery and Frederick counties, began operations in 1921. Founder William de Lashmott put up \$10,000, and local residents bought 1,000 shares at \$25 each, according to the Damascus Courier-Gazette. Beyond that, no accounting of stock splits or stock dividends is available. Bank officials say they don't know exactly how the shares have multiplied but, as of today, the number of shares owned by 580 stockholders is 52,514.

The \$250 price of the stock was established twice recently. The first time was when the bank, which has assets of \$140 million, paid a 10 percent stock dividend and paid for fractional shares in cash at \$250 a share. The other was when the bank sold an additional 2,500 shares of stock in the spring at \$250 a share.

Brown noted that some shares recently brought \$361 a share at a public auction.

Stock in Bank of Damascus has been closely held by a group that included prominent Damascus citizens and friends and relatives. The stock has traded privately and has been difficult to buy.

"It was not traded very frequently, and it would have been accumulated over a long period of time, through generations," said Brown.

Among those who have accumulated stock for many years in Helen W. Boyer, a cousin of major stockholder Herbert Hyatt. Boyer's 2,485 shares, at \$944 a share, represent \$2.3 million. She disclaimed voting control over another 651 shares worth \$614,500 and held by a son.

Boyer's father, Archie W. Souder, was an organizer and founder of the bank in 1921, as was her father-in-law, Dr. George M. Boyer. Her husband, Dr. McKendree Boyer, joined the board in the 1940s and, after his death, Helen Boyer took his seat on the board.

There are two father-son teams on the board, Herbert Hyatt and his son Jerry H. Hyatt, an attorney and member of the Maryland House of delegates, and Bradley M. Woodfield, a retired auto dealer, and his son Henry H. Woodfield, president of Barwood Inc., a taxicab company.

At the Guaranty Bank and Trust Co., of Fairfax, original stockholders made huge profits long before Riggs National Corp. offered to buy them out for \$31.50 a share. When the offer was made, the stock was selling at \$28 a share, and the \$31.50 Riggs price represented a 12.5 percent premium—small compared with some bank deals.

#### GUARANTY PAID DIVIDENDS

The real profits at Guaranty Bank and Trust, which has five offices, were made by stockholders who had been patient and collected yearly stock dividends.

Since 1964, the bank has paid 18 dividends, most at 10 percent, and had one 2-for-1 stock split. An investor who bought 100 shares of stock for \$1,000 in 1964, when the bank opened for business, today would own 1,014 shares worth, at \$31.50 each, \$31,941, according to records.

The increase in value was more than 3,000 percent, or 17 percent a year annualized over the 22-year period.

Riggs' offer of \$31.50 a share for Guaranty, with a book value of about \$9.77, was 3.2 times book value, higher than the average for bank sales in the area. Guaranty has 1,700 shareholders holding 1.2 million shares of stock.

Eighteen officers and members of the board of directors hold 22.8 percent of the stock.

The three largest stockholders listed in the bank's May proxy statement were Elizabeth Fairchild of Washington, Robert C. Arledge, chairman of Arledge Real Estate Corp. of Arlington, who holds 43,744 shares worth \$1.37 million, and Dr. Morton O. Alper, a Washington dentist, with 42,302 shares valued at \$1.33 million.

Ernest M. Carter, the bank's president, owns 12,272 shares worth \$386,568.

Alper, who helped organize the bank 22 years ago, said of the Riggs offer, "We were in a healthy position to continue. But everybody is getting older and it was a good offer."

Alper, 61, said he doubted that his \$1.33 million payment from Riggs would change his life style. "We worked for it," he said. "It isn't like hitting a sweepstakes. It was an earned, planned thing. It is like putting seeds in the ground and raising a garden. It didn't just happen. It had to be weeded and fertilized."

Stockholders more than doubled their money when one of the smaller Virginia banks, Enterprise Bank of Falls Church, recently approved an offer to sell.

Enterprise, with two locations and assets of \$35.4 million, is tiny compared with its purchaser, Washington Bancorporation,

which owns the National Bank of Washington. NBW has assets of \$1.4 billion and 21 branches in the District.

The proposed merger gives NBW its first address in Northern Virginia, helping it compete with outside competition and improving its appeal as a possible takeover candidate, itself. NBW would acquire 362,500 shares of Enterprise Bank at \$25 a share for a total cost of about \$9 million.

Enterprise Bank, formed in 1972, originally sold its shares for \$16 each. A 5-for-1 split in the 1970s reduced the share price to \$3.20. When the NBW deal was made, Enterprise shares were selling of about \$11 each.

#### FAST-RISING AREA BANK STOCKS

Bank	Price Jan. 4, 1985	Price July 11, 1986	Percent change
<b>Maryland:</b>			
Citizens Bancorp.	\$73.50	\$119.00	+61.9
Equitable Bancorporation	11.38	30.00	+53.6
First Maryland Bancorp.	15.81	37.25	+135.6
Maryland National	21.63	47.88	+121.4
Mercantile Bankshares	21.63	44.00	+103.4
Suburban Bancorp.	43.00	100.00	+132.6
Union Trust Bancorp.	25.00	61.50	+146.0
<b>Virginia:</b>			
Bank of Virginia	23.88	35.63	+49.2
Central Fidelity Banks	19.17	34.75	+81.3
Dominion Bankshares	25.75	50.00	+94.2
First Virginia Banks	19.50	33.75	+73.1
Sovran Financial	25.83	41.63	+61.2
United Virginia Bankshares	17.44	34.13	+95.7
<b>District:</b>			
American Security	17.00	36.00	+111.8
D.C. National Bancorp.	23.00	66.50	+189.1
NS&T Bankshares	47.00	85.00	+80.9
Riggs National	16.81	38.00	+126.1

<sup>1</sup> Last pricing date Mar. 27, 1986.

<sup>2</sup> Last pricing date Dec. 31, 1985.

<sup>3</sup> Last pricing date Mar. 21, 1986.

<sup>4</sup> Last pricing date Jan. 10, 1986.

NBW, selling at \$100 a share, agreed to swap one share of NBW for four shares of Enterprise. That was the equivalent of giving Enterprise stockholders \$25 a share for each of their shares.

That took Enterprise stock from a value of \$11 a share to \$25, more than double, and a gain of 127.3 percent. The \$25-a-share sale was 2.8 times the \$9 book value of the bank as of Dec. 31.

A stockholder who invested in the bank when it was formed received a 681 percent increase in his investment, or a 15.8 percent annualized return over the 14-year period.

Because Enterprise Bank has fewer than 500 shareholders, it is not required to report publicly the number of shares owned by members of its board of directors.

Donald E. Ervin, president of the bank, said that 11 board members owned 35 percent of the stock and that he owned less than 3 percent.

A 3 percent ownership of the 362,500 shares, or 10,875 shares, would be worth \$271,875.

#### 35.5 PERCENT GAIN FOR INVESTORS

Investors in Ameribanc Investors Group will realize a 35.5 percent gain on their stock from the recently proposed merger with NCNB Corp.

Ameribanc Investors Group, formerly called MIW Investors, owns First American Savings and Loan Association in Virginia, which has assets of \$704 million and 30 offices in Virginia. The acquirer, NCNB Corp., has assets of \$23 billion and 600 banking offices in North Carolina, Florida, South Carolina and Georgia.

NCNB agreed to exchange 0.28 share of NCNB stock for each of the 6.2 million shares of Ameribanc in a deal valued at \$92.5 million.

With the NCNB shares then selling at \$53.25, the 0.28 of a share was equal to \$14.91. At the time the deal was made, Ameribanc shares were trading at \$11 a share, giving Ameribanc stockholders an immediate 35.5 percent premium.

MIW Investors began life in 1969 as Mortgage Investors of Washington. During the 1970s, high interest rates and inflation nearly crushed MIW as builders and developers went under. Foreign investors, who now own about 30 percent to 40 percent of the MIW stock, came to the rescue. MIW later acquired two thrifts and changed the course of its business.

MIW stock, which sold as low as \$1.88 during the past six years, moved to the \$8 range last fall. MIW shares began to appreciate as investors increasingly perceived it to be a company that would benefit from the low-interest-rate environment. The stock recently rose to \$11.

Among other things, this author of this article, Stan Hindon, says, "the stockholders of the Bank of Damascus and Guarantee Bank and Trust are the beneficiaries of a second wave of merger mania."

What merger mania. I thought we had a booming economy and real, real capital activity. But of course I am saying this sarcastically because that is the way I mean it to be. I think it has simply been a crime the way the American people have been sold down the river. Sold down the river by people they have trusted and by those that have arrogated to themselves the great power that has always been at issue since the founding of this Nation as to who determines what section and sector of our economy is going to be allocated the resources of credit in order to conduct either business or a pursuit in sustaining, in purchasing a home, owning a home, raising a family, identifying with the country.

I want to point out, after all, I have been doing this since long before I became chairman of the largest subcommittee in this Congress on either side, the Subcommittee on Housing and Community Development, that we now have what? What are the products of all of this Reagan recovery. For the first time since 1914, the United States is a debtor nation as of the last 2½ years.

For the first time, we have a monstrous domestic deficit. No nation or combination of nations in the history of mankind has developed this kind of deficit.

Third, international deficit, where we are now back to the colonial times where we are a merchantile system. Where the European and Japanese producers are what? Flooding our markets. We are not a producing nation any longer as of 2½ years. That is what it means to have an internal monstrous debt and an international debit or deficit or debt such as never has been experience by any nation.

We have, currently, \$150-billion adverse balance of trade. What does that mean? It means that for every \$10 bil-

lion of the \$150 billion, America lost 1 million jobs permanently. Permanently, because the United States is now the consumer. It is now the cow that is milked.

The old merchantile system is back. Incredible. This was what the American Revolution was all about. The colonists got tired of being subjected to the mother country's reverse economic situation or the merchantile system. No matter how able the industrialists or manufacturers of that day were in Philadelphia, they could not manufacture out of our own raw materials. Raw material had to go to England where the looms would weave the products to be sold back to the colonies. That is where we are today. Incredible. Who says we won World War II? Who invaded whom in the light of today's world?

How did it come about? Well, I for one, would consider it a blot on my honor if I were to go on and my children and grandchildren would say, "You know, he was there, and he never once said anything." That is why I am on record and have been.

Also, an attempt, in vain, I am sure, to try to reach a level of consciousness of enough of my colleagues to bring about some realization of the task that confronts us because there is no question in my mind that it is too late. But it is never too late to anticipate what methods and means one can devise and suggest in order, in anticipation for the day when there will be hysteria, that we can coolly and dispassionately forge the policies that unfortunately, should have been forged 20 or 23 years ago.

The President, nevertheless, was reported in yesterday's newspaper with a Saturday dateline, I guess that was because of his radio talk; I do not know. He was saying the very opposite. He said, "We have never had it so good." He has been saying this every time and it reminds me of what history shows us, the same situation, before 1929's Black Friday, in October of 1929, and I am old enough when I can remember it. I am also a Depression kid so I remember that.

What happened was that 6 months before that Black Friday the President had appointed a very select Presidential Commission, like some of those Mr. Reagan appoints now. Big shots, the equivalent of that day of J. Peter Grace today. They came out and reported this, to President Herbert Hoover, and I quote. Remember, this was just 6 months before the bottom fell out:

We have a boundless field before us. It seems only to have touched the fringe of our potentialities. Our situation is fortunate. Our momentum is remarkable.

It was with all of these thoughts in mind that I first attempted to bring to the attention of the then chairman of



the Banking Committee the need to summon forth the powers that be. The Secretary of the Treasury then. Fortunately, President Johnson reacted quicker. What he did was that he picked up the phone, as he used to do, and he called the leading bankers from the First, City National, from Chase Manhattan, from Chemical Trust and all the other coterie of oligarchs, and powerful, powerful interests. These are the most powerful interests on Earth.

He brought them to the White House and the stories were that he kept them, there until about midnight and twisted their arms and said, "Now, look boys, I think you better recall that 1-percent increase. Now, you boys really do not mean it; you are talking about increasing it again."

Well, whatever happened they did. They acceded to the President, which, clearly should have proved then that the only thing that would control those factors and those judgments that would bring about sudden, overnight, precipitous and vast increases in interest rates were just the fact that these powerful individuals had a President's eye on them. That was the only thing. So that, of course, the rest is history. Why? Why would we be? Why would we have these reports and then probably there will be a little reversal and all of a sudden everybody is saying, "We are having good times again."

This is a history, preceding 1929. The stock market would fluctuate up highly. I remember as a kid, reading at the drug store where I worked the stories, "bears; bullish; bearish."

□ 1405

They used to have it on the front pages of the San Antonio papers, and people used to be puzzled by that. What do they mean, the market is bearish or the market is bullish? They used to have these sharp gyrations, and finally the bottom fell out. The reason is, as this article in today's Washington Post business section says, that these are money manias.

The United States has been flagellated ever since we had the instability in interest rates. That is the peccable word the bankers use. We have had correspondingly, from my calculations, four, maybe five money manias, and, of course, money manias have been through history calamitous, whether it was the South Sea bubble or the tulip mania in Holland. We have done the same thing here, except worse, because it has been at a greater accelerated pace. In the meanwhile we have these vast resources of credit in which there are billions and billions and billions of dollars of banking credit.

Now, what is banking credit? Well, there are certain requirements, according to what I read in the statutes, in order to be a banker, which incidentally,

is the most privileged occupation in our country. It is the most privileged because they make money. They manufacture money today. We hear all this idea that the Constitution says that the Congress shall be responsible for the coinage and all that, but that is a lot of bull feathers. The bankers, through our fractional system and all, are the ones who are coining money today. They have that complete power, but never in our history did they have it until just in the last 5½, 6 years, that complete, total power.

But the Congress does not want to do anything. Why, it bows and scrapes and genuflects before that great God-sent institution known as the Federal Reserve Board.

I introduced bills of impeachment, and I had specifications on Mr. Volcker a few years ago. I knew I was not going to get a hearing. I wrote the chairman of the Judiciary Committee and I asked him for a hearing. That is all I wanted. I wanted to present the case. Everybody kind of laughed and thought I was being bombastic. I was in dead earnest. I had good reasons.

Had these actions taken place a hundred years ago or 150 years ago under Jackson's regime, why, they would have more than had him impeached; they would have hung and quartered him.

Well, what has been done about it? What we have now is this complete oligarchic, interlocking power, this wealth controlling the finances and, as they say, the fiscal and monetary policies of our country. That means the allocation of credit.

Whenever we have had a diversion and a damming up of those resources, our history shows that we have had these calamitous economic downswings. We had the Depression of 1837, the Depression of 1867, and we had the Depressions of 1892 and 1908. It was the Depression of 1908 that brought about the Federal Reserve Act of 1913. But always, whatever the Congress tried to do and whatever it clearly intended and said during debate and in the law, through the passage of years there has been a subverting, sometimes by the U.S. Congress. Sometimes it has been in sleeper clauses, and I do not think many of the Members knew that was in them, even those Members submitting the bill. They probably got them from the lobbyists of either the banking community or the Federal Reserve Board. Nevertheless that is the fact, and that is where we are.

It is too late to do anything, there is no question about it, because everybody wants and proclaims the Federal Reserve Board to be independent, but it is so independent that it has run away. It does not account to anybody. It does not have an inspector general.

In the specifications that I had in my bill of indictment, I covered that

horrible scandal of the Open Market Committee. What is this great Open Market Committee? Well, these are the private bankers plus the Federal Reserve Board members—5 plus the 7. That is the Open Market Committee. They are the ones who set the rates. Of what? Treasury bills.

Well, wait a while. What does that mean? It means they will tell us what the interest rate should be. It is not an act of God as Volcker and the others would like to tell us and as so many of my colleagues seem to think. It is a man-made decision, and it is susceptible to a man-made solution.

What I am saying is that it is most unfortunate that we have had to reach this point and pay this price, because we have reached the point where bankruptcies, for instance, have peaked out to a rate that is way above the Depression rate. Granted that we have to make some extrapolations for the fact that the Nation is bigger and there is an exponential greater number of businesses and all that, nevertheless we ought to be concerned about the parallel comparisons, though I think that it is a little too late.

I have advocated and have been advocating for the past 6 years, the past three Congresses, the enactment of certain legislation. I have never believed that from a single mind we are going to strike a perfect bill, but that is why we have deliberations; that is why we have committees. But what I have been disappointed in is that no committee or no subcommittee wants to take the time to even discuss the issue. That, I think, is a reflection on our processes. This is as it always has been and as is the case now. Even in England they had an old saying that "A poor man's shilling is only a penny," meaning that everything that the poor buys is more costly than it is to the rich. Well, naturally. This is the flaw in such a system of taxation as has developed in our country where we have the sales tax.

Well, what does history show us about that? I debated that in the Texas Legislature when I was in the Texas State Senate, and I got credit for filibustering the first attempt of the Governor in the spring session in 1961 to foist a sales tax on the people. I was blamed or credited with compelling the Governor to go into a couple of special sessions. I did gain some concessions in that they made it originally a 2-cent tax.

But I pointed out the history of Spain, in which the old Spanish kings needed funds for the same reason our Presidents do today, and that is to engage in foreign adventures. Our President has poured funds into the smallest country of Central America, El Salvador, for 5½ years. He has poured \$4 billion into that country

while he tells us he does not have even \$60 million for the poor homeless of our country. And he cannot afford \$100 million to have an emergency Home Foreclosure Relief Act when our homeowners are getting foreclosed at an astronomical rate, even today as I am speaking.

But he does have \$4 billion. For what? He is no closer to a solution in that smallest country of Central America than he ever was, after blood-letting like we have never seen before. Over 50,000 Salvadorans have been killed there with our guns. They were not Cuban or Russian; they were our guns. We got in the middle of a civil war in which we are taking up for the oppressors.

This is our President. This is what I call his perverted sense of priorities. Yes, he has reached the point where he is almost omnipotent, but only because the Congress lets him be. The Congress has it in its power, and this great deliberative body could say, "Hey, Mr. President, we haven't declared war. The Constitution says only we can declare war, so you stop making war." So then it would stop unless Mr. Reagan wants to convert to a Latin American type. He could suspend Congress and surround Congress with some tanks and there is not a thing we could do. A lot of Americans laugh when I say that, but we had better not because it can happen here.

If the President can save himself from impeachment by the American Congress, he has not from the Lord Almighty. He has been impeached already, and woe behold us if we in God's vengeance are punished for sitting by and seconding and giving our imprimatur to these actions that are so horrible to describe. And they are not now in Southeast Asia; they are right here next to us.

□ 1415

What are we building up in Mexico? Why? Because these self-same banking interests that now have this tremendous power, who have supported Mr. Reagan from the beginning, financed him, helped him, surrounded him with advisers. I must remind you that President Reagan really never has lied to us. He never pretended to be an expert. All he said was that he would act the role. All he has been is an actor. He said, "I'll act a good piece," and he has; but I have always been scared of the scriptwriters, because he is not smart enough when there is a conflict among the scriptwriters to pick the right script.

So we are living in a dangerous era to our liberties. The Executive orders the President has signed in just 2 years time are a direct stab at our basic liberties.

Not one word have I heard of protest anywhere when the President signed

the National Security Advisory. When? Two years ago.

What does that say? It says that he can have through the Federal Emergency Management Agency the use of the National Guard or troops to arrest people who might be harboring what they call refugees from Central America, but which Mr. Reagan may say are potential terrorists. They can get rounded up right now by the armed services.

Second, when he announced the embargo against Nicaragua on May 1, 1985, he first had to find as a matter of law, because this was a power delegated to Presidents since the Espionage Act of 1917, he had to say that Nicaragua is a direct and an immediate threat, to the point where we have to impose an economic embargo.

Now, how many Americans really realize that? But yet that is what he had to announce.

But that was not published in the newspapers too much. All they said was that he had imposed an embargo, but what they did not mention was what it would take to trigger that power.

We still do not have an only potentate President. We still have a Constitution; but I charge that the Congress has rolled over and has advocated a sacrosanct sovereignty.

For what purpose? I do not know.

For what reason? I do not know. I am not smart enough to know. All I know is that it has happened. All I know is that it is happening. All I know is that we have been sold out at all levels.

We cannot possibly, at least I cannot, tell the American people that these great issues that they think their Representatives are resolving here are indeed and in fact being resolved. They are not.

J. Peter Grace, the billionaire owner of the conglomerate that owns what we used to call United Fruit, now known as Standard Brands, is the one who is actually forging the Latin American policy for Mr. Reagan. Of course, he would have our marines die for Chiquita Banana, of course. They have before in Guatemala in 1954 when the CIA, like they are doing now in Honduras, hired American mercenary pilots to strafe Guatemala City, to kick out Colonel Arbenz. He was accused of being a Communist.

He was a military, one of the most fierce anti-Communists, but he went out. The CIA gloated. We have the beginning of having to pay for that ersatz victory.

If you only realized the ferment, the boiling kettle with the lid not going to stay on there long, and now translated over to our most immediate adjacent neighbor, the Republic of Mexico, where there again the bankers in their greed overpledged their loans.

Mexico, Peru, Ecuador, Argentina and even Brazil, which is a giant industrialized nation, Brazil is not the little old piker. They will not pay those debts backs. They can barely even roll over the interest payments.

There is a whole situation boiling up. What are we going to do? If we try to use the same tactics that the President seems to think is an answer, that is, military, well, we had better start thinking about invading Mexico, because it is coming. It is coming, just as sure as I am standing here and nobody seems to give a hoot or gehenna. Nobody seems to be either mindful or even aware of what is boiling and churning and terribly, terribly explosive, with tremendous implications; other than the fear of, oh, those hordes of Mexican illegals that are coming in. That is the big fear.

But nobody says why, why should they? Why should the most humble, the most soil-attached people on the Earth want to leave? Who are the ones who are leaving? The young, the strong that are willing to come and risk death in Texas.

In some areas they shoot them like rabbits. They have posess up in Kerr County up north where recently the San Antonio papers had big headlines about a slave camp. Well, that involved a white nonethnic, so naturally there was a big fuss; but I can tell you just within the last 8 years of two cases where a group was formed, went out an gunned down like a rabbit a so-called alien, but who was a worker. Nobody knew what he had done. They were just whooping and hollering as they have in the past, and which has gone unrecorded in the main.

The Mexican Government 40 or 50 years ago used to protest. You would have the Counsel General in San Antonio issue a communique saying, "We protest the ill-treatment of these citizens," but not now, because we have so much pressure on that government.

Our CIA has even foolishly tried to do in Mexico what they have been doing south of Mexico, that is, pressuring through destabilizing; that is, putting money into some opposition groups for two reasons: One, that the Mexican Government and the President will not go along with the United States on its Central American policy. It cannot.

Mexico is the original nation that advanced the auto determination, self-determination, no intervencion, no intervention, and they are not going to betray that.

The President of Mexico is about the wrongest individual they could pick to do that to. The President of Mexico is very much pro-American. He is educated in the United States, but he is caught and if the CIA thinks it can pressure it through the rightwing groups in Mexico, all they are doing is



throwing him to the left-wing wolves, that is all, and this is what we have been doing all up and down the isthmus and up and down the penninsulas and down into the South American Continent, which is very, very wrong, self-defeating, very stupid, to say the least; but nobody wants to question the almighty CIA.

In fact, if anybody questions it, he is suddenly suspect as a true-blue American.

I think the American people, though, are just absolutely uninformed or malinformed. Everybody else outside of the United States knows it, but not the American people. I think that is a tragedy.

So that what we have come to in reading these stories today is just the inevitable that some of us have been talking about for a few years. We have not been satisfied with saying, "Hey, look, this is happening. This will result."

In 1979 I got up and made a speech here. There was no TV. The very next day the chairman of the Federal Reserve Board called me and asked me to go and have breakfast with him to tell me that I was right.

What was I saying? I said in 1979 in the RECORD, I said, "At this point, we are in trouble."

I noted the statistics. Our chief private banks have gone from about \$1 billion to over \$45 billion in investments. True, a lot of this was what they called recycled Arab oil money. But what was that? That was in deposits and it was on call.

Right now the so-called Reagan recovery, what he calls a recovery, which I say never was, has been supported to the extent it has by foreign investors who are fickle, and as in the case of the Continental Illinois Bank that went under and that we nationalized, costing the taxpayers about \$6 billion. Now, the newspapers did not say we nationalized it, but if it happened in Mexico, we would have said that the government had nationalized it.

There was \$6 billion of your taxpayers' money. Why? Because, all the time what I have said was what a former Congressman from New York, Myer London, said around the time of World War I when they had this very interesting Congressman from New York. He used to say, "I am accused of being a socialist. But you fellows are socialists for the rich. I believe in socialism for the poor as well as the rich."

What I am saying is what happens is that capital always wants and also has to private-enterprise its profits, but to socialize or have the taxpayers pick up its losses. This is what is happening in this country.

I was trying to tell the chairman then that there were some things he could do.

He said, "No, I can't. I just went to the National Conventional of Bankers in Honolulu and when I told them the same thing you are saying and warned them, they almost threw me out."

I said, "Well, wait awhile, Mr. Chairman. You have section 14(b) of the Federal Reserve Board Act. You can exercise that."

What does President Reagan say? They will cry, "Uncle."

He said, "Oh, no, no. I can't do that."

Why? Why would not this work? I will tell you why, because all of them, that one and Mr. Volcker today, they come from the payroll of the Chase Manhattan and they are going back to the payroll of the Chase Manhattan. They are not about to do anything to antagonize the Chase Manhattan while they are working for the Federal Reserve Board.

Furthermore, the American people, and I think most of my colleagues, do not realize that the Federal Reserve Board is not a Federal agency. It is a private concern. In actual practice, it is operated and managed by about seven of the biggest banks in the country. They are the ones who are running the Federal Reserve Board, but it is supposed to be the operation of the 14,000-plus commercial banks we have in this country, not the Government.

It is ridiculous. It has reached the point where the American people have lost their heritage, not even for a mess of pottage.

I say that with the arrogance we are showing in the countries that are too weak to do anything about it, I am reminded of William Shakespeare.

He said:

When we become arrogant and in our viciousness grow hard, the wise gods seal our eyes; we drop our clear judgment, make us adore our errors, laugh at us while we strut to our own confusion.

□ 1430

#### RULE FOR CONSIDERATION OF THE DEFENSE AUTHORIZATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. ASPIN] is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, last Friday the Committee on Armed Services favorably reported H.R. 4428, the National Defense Authorization Act, to authorize appropriations for fiscal year 1987 for the Department of Defense, for military construction, and for defense activities of the Department of Energy.

I hereby notify all Members that the Committee on Armed Services intends to seek a rule for consideration of H.R. 4428 that may not allow any and all amendments germane to the bill to be offered.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BATEMAN) to revise and extend their remarks and include extraneous material:)

Mr. FIELDS, for 60 minutes, on August 6.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ASPIN, for 5 minutes, today.

Mr. STOKES, for 60 minutes, on July 29.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BATEMAN) and to include extraneous matter:)

Mr. GRADISON in two instances.

Mr. LUNGREN.

Mr. SILJANDER.

Mr. BROOMFIELD.

Mr. GEKAS.

Mr. LEWIS of Florida

Mr. COURTER.

Mr. GILMAN.

Mr. CONTE.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. MILLER of California.

Mr. MITCHELL.

Mr. RODINO.

Mr. BARNES.

Mr. BOLAND.

Mr. UDALL.

#### SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 524. An act to recognize the organization known as the "Retired Enlisted Association, Incorporated," to the Committee on the Judiciary.

S. 2307. An act to provide authorization of appropriations for activities of the United States Travel and Tourism Administration;

to the Committee on Energy and Commerce.

S.J. Res. 355. Joint resolution to designate August 1986 as "Cajun Music Month"; to the Committee Post Office and Civil Service.

S.J. Res. 371. Joint resolution to designate August 1, 1986, as "Helsinki Human Rights Day"; to the Committees on Post Office and Civil Service and Foreign Affairs.

#### ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1406. An act to authorize appropriations for nongame fish and wildlife conservation during fiscal years 1986, 1987, and 1988;

H.R. 2991. An act for the relief of Betsy L. Randall; and

H.J. Res. 623. Joint resolution to authorize the designation of a calendar week in 1986 and 1987 as National Infection Control Week.

#### BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following days, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On July 23, 1986:

H.R. 4985. An act to authorize the distribution within the United States of the USIA film entitled "The March";

H.R. 4409. An act to authorize appropriations for fiscal year 1987 for the operation and maintenance of the Panama Canal, and for other purposes; and

H.J. Res. 672. An act to ratify the February 1, 1986, sequestration order of the President for fiscal year 1986 issued under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985.

On July 25, 1986:

H.R. 3511. An act to amend title 18, United States Code, with respect to certain bribery and related offenses.

#### ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 30 minutes p.m.), the House adjourned until tomorrow, Tuesday, July 29, 1986, at 12 noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3949. A letter from the Secretary of the Interior, transmitting certification that the

Tehama-Colusa, Sacramento River division, Central Valley project, California, has had an adequate soil survey, land classification has been made and that the lands to be irrigated are susceptible to agricultural production by irrigation, pursuant to 43 U.S.C. 390a; to the Committee on Appropriations.

3950. A letter from the Deputy Assistant Secretary of the Air Force (Logistics and Communications); transmitting notification that the Air Force plans to study the T-38 tactical training aircraft maintenance, Holloman Air Force Base, NM, for conversion to private contractor performance, pursuant to 10 U.S.C. 2304 nt.; to the Committee on Armed Services.

3951. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank during May and June 1986 to Communist countries, pursuant to 12 U.S.C. 635(b)(2); to the Committee on Banking, Finance and Urban Affairs.

3952. A letter from the Executive Director, Neighborhood Reinvestment Corporation, transmitting the annual report of the Corporation for 1985, pursuant to Public Law 95-557, section 607(a); to the Committee on Banking, Finance and Urban Affairs.

3953. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notice of the intent to issue a commercial export license for the sale of two F-5E aircraft to the Government of Singapore, pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

3954. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notice of the intent to issue a commercial export license for the sale of five AN/FPS-117(K) radars and support equipment to the Republic of Korea, pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

3955. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions by James E. Nolan, Jr., of Maryland, Director of the Office of Foreign Missions, Ambassador-designate, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3956. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued by GAO during the month of June 1986, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

3957. A letter from the Assistant Comptroller-Insurance, Departments of the Army and Air Force, transmitting the retirement annuity plan for employees of the Army and Air Force Exchange Service and supplement deferred compensation plan for members of the Executive Management Program for calendar year 1985, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3958. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3959. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43

U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3960. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3961. A letter from the Secretary of the Interior, transmitting a copy of the proposed settlement agreement regarding Westlands Water District versus United States, pursuant to Public Law 99-190, section 122 (99 Stat. 1320); to the Committee on Interior and Insular Affairs.

3962. A letter from the Secretary, Aviation Hall of Fame, Inc., transmitting the report and financial audit for the calendar year 1985, pursuant to Public Law 88-372, section 15(b); to the Committee on the Judiciary.

3963. A letter from the Assistant Secretary (Legislative Affairs), Department of the Treasury, transmitting a report on the allocation among foreign nations of the total allowable level of foreign fishing permitted under the Fishery Conservation and Management Act of 1976, for 1985, pursuant to 16 U.S.C. 1821(f); to the Committee on Merchant Marine and Fisheries.

3964. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report from the Chief of Engineers, Department of the Army on Raritan River basin, New Jersey, together with other pertinent reports; to the Committee on Public Works and Transportation.

3965. A letter from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting notification of the decision to convert to private contractor performance the commissary shelf stocking function at Hickam Air Force Base, HI, which is the most cost-effective method of accomplishment, pursuant to Public Law 99-190, section 8089 (99 Stat. 1216); jointly to the Committees on Armed Services and Appropriations.

3966. A letter from the Secretary of Energy, transmitting the final rule under which the United States offers toll enrichment services to electric utility customers situated in this country and abroad, pursuant to 22 U.S.C. 2201(v); jointly to the Committees on Interior and Insular Affairs and Energy and Commerce.

3967. A letter from the Secretary of Health and Human Services, transmitting annual reports on Medicare, the Medigap Voluntary Certification Program, and the End Stage Renal Disease Program, for 1983, pursuant to SSA, section 1875(b), 1881(g) and 1882(f)(2); jointly to the Committees on Ways and Means and Energy and Commerce.

3968. A letter from the Secretary of Agriculture, transmitting the annual report on agricultural trade consultations with major producing countries, pursuant to 7 U.S.C. 1736(c); jointly to the Committees on Agriculture, Foreign Affairs, and Ways and Means.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows;



[Pursuant to the order of the House on July 24, 1986, the following reports were filed on July 25, 1986]

Mr. ASPIN: Committee on Armed Services. H.R. 4428. A bill to authorize appropriations for fiscal year 1987 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; with amendments (Rep. 99-718). Referred to the Committee of the Whole House on the State of the Union.

Ms. OAKAR: Committee on Post Office and Civil Service. H.R. 4354. A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1987, and for other purposes; with an amendment (Rep. 99-617, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

[Submitted July 28, 1986]

Ms. OAKAR: Committee on Post Office and Civil Service. H.R. 4759. A bill to authorize appropriations for fiscal year 1987 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, and the Central Intelligence Agency retirement and disability system, and for other purposes; with amendments (Rep. 99-690, Pt. II). Ordered to be printed.

Mr. ASPIN: Committee on Armed Services. H.R. 4759. A bill to authorize appropriations for fiscal year 1987 for intelligence and intelligence-related activities of the U.S. Government, the intelligence community staff, and the Central Intelligence Agency retirement and disability system, and for other purposes; without amendment (Rept. 99-690, Pt. III). Ordered to be printed.

Mr. FUQUA: Committee on Science and Technology. H.R. 4926. A bill to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1987; with amendments (Rept. 99-719, Pt. I). Ordered to be printed.

Mr. FUQUA: Committee on Science and Technology. H.R. 4925. A bill to authorize appropriations to the Department of Energy for civilian research and development programs for fiscal year 1987; with amendments (Rept. 99-720). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BREAU (for himself, and Mrs. Boggs):

H.R. 5262. A bill to establish the Bayou Sauvage Urban National Wildlife Refuge in the State of Louisiana; to the Committee on Merchant Marine and Fisheries.

By Mr. LOWERY of California:

H.R. 5263. A bill to provide reimbursement to localities for costs of emergency hospital services furnished to illegal aliens and certain Cuban nationals; to the Committee on the Judiciary.

By Mr. McMILLAN:

H.R. 5264. A bill to amend title XVIII of the Social Security Act to permit certain individuals with physical or mental impairments to continue medicare coverage at their own expense; jointly, to the Committees on Ways and Means, and Energy and Commerce.

By Mr. VANDER JAGT:

H.J. Res. 687. Joint resolution proposing an amendment to the Constitution of the United States repealing the 22d article of amendment thereto; to the Committee on the Judiciary.

## MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

432. By the SPEAKER: Memorial of the Legislature of the State of California, relative to rental assistance; to the Committee on Banking, Finance and Urban Affairs.

433. Also, Memorial of the Legislature of the State of California, relative to the federal census; to the Committee on Post Office and Civil Service.

434. Also, Memorial of the Legislature of the State of Louisiana, relative to sanctions against the Republic of South Africa; and the status of the Mississippi River and tributaries project; to the Committee on Public Works and Transportation.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 585: Mr. DURBIN.

H.R. 1840: Mr. DANIEL and Mr. CHAPPELL.

H.R. 3643: Mr. CRANE.

H.R. 4057: Mr. DASCHLE, Mr. HOPKINS, and Mr. TAUKE.

H.R. 4155: Mr. KILDEE, Mr. SUNIA, Ms. MIKULSKI, Mr. LEHMAN of Florida, Mr. RODINO, Mr. DWYER of New Jersey, Mr. DIOGUARDI, Mr. FASCELL, Mr. COUGHLIN, and Mr. BILIRAKIS.

H.R. 4287: Mr. NEAL, Ms. SNOWE, Mr. BARNES, Mrs. BOXER, Mr. TORRICELLI, Mr. FLORIO, and Mr. STUDDS.

H.R. 4300: Mr. UDALL, Mr. FORD of Tennessee, Mr. COYNE, Mr. MAVROULES, Mr. ROYBAL, and Mr. STUDDS.

H.R. 4344: Mr. PERKINS and Mr. SOLOMON.

H.R. 4488: Mr. ATKINS, Mr. HORTON, Mr. LEHMAN of Florida, Mr. MILLER of Washington, Mr. GIBBONS, Mr. GOODLING, Mr. BOEHLERT, Mr. BIAGGI, Mr. TORRICELLI, Mr. BONKER, and Mr. AKAKA.

H.R. 4633: Mr. BILIRAKIS, Mr. TRAXLER, Mr. BENNETT, Mr. SPENCE, Mr. CARR, Mr. MURTHA, Mr. RICHARDSON, Mrs. SCHNEIDER, Mr. CROCKETT, Mrs. JOHNSON, and Mr. BATEMAN.

H.R. 4690: Mr. BONIOR of Michigan.

H.R. 4796: Mr. NIELSON of Utah.

H.R. 4899: Mr. FRANK.

H.R. 5157: Mr. FEIGHAN.

H.J. Res. 10: Mr. EMERSON, Mr. MANTON, Mr. RUSSO, Mr. SMITH of New Hampshire, Mr. STAGGERS, Mr. TRAXLER, and Mr. YOUNG of Florida.

H.J. Res. 49: Mr. MOORHEAD.

H.J. Res. 379: Mr. OBERSTAR, Mr. QUILLEN, Mr. BLILEY, Mr. NELSON of Florida, Mr. STALLINGS, and Mr. RALPH M. HALL.

H.J. Res. 594: Mr. BURTON of Indiana.

H.J. Res. 663: Mr. MARLENEE.

H.J. Res. 667: Mr. BATES, Mr. FISH, Mr. AKAKA, Mr. MATSUI, Ms. KAPTUR, Mr. BUSTAMANTE, Mr. DARDEN, Mr. RANGEL, Mr. KINDNESS, Mr. MONSON, Mr. SMITH of Florida, Mr. REID, Mr. BONIOR of Michigan, Mr. HUGHES, and Mr. SMITH of New Jersey.

H.J. Res. 670: Mrs. BOXER, Mr. DE LA GARZA, Mr. GRAY of Pennsylvania, Mr. VALENTINE, Mr. SMITH of Florida, Mr. SAVAGE, Mr. DYSON, Mr. MANTON, Mr. NIELSON of Utah, Mr. CROCKETT, Mr. BARNES, Mr. WOLF, Mr. CLAY, Mr. WAXMAN, Mr. FEIGHAN, Mr. ROE, Mr. YOUNG of Missouri, and Mr. SAXTON.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

432. By the SPEAKER: Petition of the National Society of the Sons of the American Revolution, Louisville, KY, relative to the strategic defense initiative; to the Committee on Armed Services.

433. Also, petition of the National Society of the Sons of the American Revolution, Louisville, KY, relative to medical nuclear preparedness; to the Committee on Energy and Commerce.

434. Also, petition of the National Society of the Sons of the American Revolution, Louisville, KY, relative to repeal of the war powers resolution; to the Committee on Foreign Affairs.

435. Also, petition of the National Society of the Sons of the American Revolution, Louisville, KY, relative to birth certificates; to the Committee on Government Operations.

436. Also, petition of the National Society of the Sons of the American Revolution, Louisville, KY, relative to the designation of the graves of Revolutionary War veterans as national historical sites; to the Committee on Interior and Insular Affairs.

437. Also, petition of the Township Committee, Township of Little Egg Harbor, NJ, relative to the licensing of recreational salt water sports fishermen; to the Committee on Merchant Marine and Fisheries.

438. Also, petition of the National Society of the Sons of the American Revolution, Louisville, KY, relative to the "Star Spangled Banner"; to the Committee on Post Office and Civil Service.

439. Also, petition of the Independent Taxi Operators Association, Boston, MA, relative to the Federal-aid Highway Program; to the Committee on Public Works and Transportation.

440. Also, petition of the American Association for the Advancement of Science, Washington, DC, relative to the Gramm-Rudman-Hollings deficit targets; to the Committee on Science and Technology.

441. Also, petition of the Common Council, City of La Crosse, WI, relative to certain provisions of the tax reform bill, H.R. 3838; to the Committee on Ways and Means.